

THE Hongkong Weekly Press

AND

China Overland Trade Report.

VOL. LXVI.]

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BIRTHS.

On December 4th, at the British Legation, Peking, the wife of C. C. A. KIRKE, of a son.
On December 15th, at Shanghai, the wife of Rev. E. PILLEY of Huchow, a son.
On December 16th, at Shanghai, the wife of PERCY A. MACLEAN, of a son.
On December 19th, at Shanghai, the wife of WAKEFORD COX, of a son.
On December 22nd, at 6 Stewart Terrace, Peak, the wife of R. J. LEA WRIGHT (E. E. Tel. '00), of a daughter. [2010]

MARRIAGE.

On December 16th, at Shanghai, GAVIN LINDSAY CAMPBELL, to ELSIE FORBES.

DEATHS.

On November 2nd, at Lowell, Mass. U.S.A., in her 25th year, Mrs. SARAH H. DANFORTH, mother of A. W. Danforth, of Shanghai.
On December 16th, at Shanghai, WILLIAM HOPPLEY of Manchester, in his 42nd year.
On December 18th, at Shanghai, CHARLES FREDERICK MOULE, second son of Bishop Moule, in his 40th year.
On December 19th, at Shanghai CAPITULINA DA SILVA LOPES, wife of Tobias Maria Lopes, in her 56th year.

Hongkong Weekly Press.

HONGKONG OFFICE: 10A, DES VŒUX ROAD C.L.

LONDON OFFICE: 131, FLEET STREET, E.C.

ARRIVAL OF MAILS.

The English Mail of Nov. 29th arrived per the s.s. *Arcadia*, on Friday, the 27th instant.

FAR EASTERN NEWS.

At the offices of the Public Works Department on December 23rd Inland Lot No. 178, which has an area of 27,601 square feet, was offered for sale by public auction. The purchasers were Messrs. Palmer and Turner, who obtained the lot for \$1,541, being \$50 above the upset price.

A *Daily Press* telegram dated Tokyo, December 25th said:—The Nippon Yusen Kaisha's new nine-thousand-ton steamer, the *Kaga Maru*, was launched at Nagasaki to-day. It is the first of six vessels of that size now building, and Japan's distinct advance in the craft of shipbuilding is receiving encomiums in the Press, some papers pointing out that the Mitsui Bishi firm is inferior to none in the world.

A number of merchants of Shantung province have sent notice to the Peking Government to the effect that H. E. Wu Ting-ping, Acting Governor of that province, is an incapable official who does not know how to discharge his duties, except "to flatter foreigners especially the Germans." In conclusion the petitioners request the Government to remove him without delay and to appoint an "enlightened" official in his stead.

It will be remembered that an Imperial Rescript was recently issued through the Grand Council urging H. E. Teñ Ch'un-hsuen [Shum] ex-Viceroy of the Liangkang provinces, to go up to Peking for an audience. The Central Government is in receipt of a telegram from his Excellency stating that he will obey the Imperial command as soon as he has entirely recovered from the present seizure of the illness to which he is chronically subject.

The last voyage of discovery of Leung Choi-ohi was accomplished on Thursday, and yesterday he was docked in Victoria Jail where he will remain for some months. Late on Thursday night he ran alongside a coal junk lying off No. 2 Police Station, and thinking he was unobserved cut the anchor cable and removed the anchor. Then he cast off from the junk and pulled for the shore. This however, had been witnessed by a wakeful member of the junk's crew, who silently woke others on board. A boat was quickly lowered and the seamen started in pursuit of the thief. When about 10 yards separated the two boats the man in the latter dumped the anchor overboard, and gaining the way was about to dash off with his shoes under his arm when a *lukong* detained him. The people from the junk were ashore shortly after him, and when they told their story Leung was taken to the station. There, when questioned, he was unable to give a satisfactory account of how he came by the dinghy, the result being that he was charged before Mr. F. A. Hazeland at the Police Court yesterday with stealing an anchor and being in unlawful possession of a dinghy. Both charges were proved and his Worship sentenced the defendant to three weeks' hard labour and six hours' stocks on the first, and 14 days on the second charge.

Cham Chu, a coolie employed at the Waterworks, was charged before Mr. F. A. Hazeland at the Police Court yesterday with obtaining a bribe of \$5. It was proved that the defendant went to house No. 103, Des Vœux Road Central, and offered to alter the water pipe so that the occupants would be able to get a better supply of water. Yesterday he told his Worship that the money was given him to buy cement, but as his Worship was of a different opinion, he sentenced the defendant to three months' imprisonment.

The headlessness of a ricsha coolie was the cause of an accident to the vehicle of another on Tuesday, and the negligent man appeared before Mr. Gompertz at the Police Court on a charge of obstruction. As Mr. Marican, the cycle agent, was proceeding along Queen's Road near the Hongkong Hotel in a motor car the defendant dashed across his path to secure, a fare, heedless of the loud ringing of the warning bell. This action turned the motor man off his course, and in endeavouring to avert a collision he collided with another ricsha and damaged it to the extent of \$3.50. His Worship mulcted the negligent coolie in this amount.

AMENDED REGULATIONS.

The following regulations made by the Governor-in-Council have been cancelled, and those appearing hereunder substituted in their stead:—

Regulation No. 6 in relation to petroleum in cases now reads:—"6 If the declaration made by the Master under Rule 4 shows that the cargo oil on board his vessel consists of naphtha or naphtha products, the Harbour Master shall satisfy himself that the oil is so packed in strong hermetically sealed metal drums commonly known as "Insurance Drums" (each containing not more than 10 gallons) (such drums being so filled as to leave an air space equal to at least 1/20th the capacity of each drum, so as to allow room for expansion of the liquid consequent upon changes of temperature), that it may be safely transported by water and land, and upon being so satisfied may give permission for the vessel either to discharge such cargo in one of the prescribed dangerous goods anchorages or to proceed to one of the prescribed wharves and there deliver the oil to the person authorised to receive the same. Before giving such permission the Harbour Master may require the Master of the vessel to procure a report from the Government Analyst as to the nature of the oil. Every lighter, cargo boat, or other vessel, when being used for the purpose of conveying naphtha in the waters of the Colony in quantities of more than 50 gallons, shall carry a box or tank containing not less than 100 lbs. of dry sand in such a position as to be immediately available at all times."

Under sections 25 (4) and 42 of the Merchant Shipping Ordinance, 1899, regulation No. 2 has been altered to read:—"2 Foreign Soldiers or Sailors shall not be landed in the Colony in numbers exceeding one hundred from any ship or transport for purposes of recreation without the permission of the Governor obtained through the Consul or Officer of the country to which such soldiers or sailors belong."

HANKOW.

(Daily Press, December 23rd).

It has been so constantly drummed in that Hankow is the coming model settlement of China that we cannot afford to ignore any of its entrances upon the stage of publicity. Lately, it would seem by the columns of the *Hankow Daily News*, it has been demanding public interest in its municipal management; that is to say, for the municipal affairs of the British concession at Hankow. One very able correspondent criticises the rental assessment, as the basis of the amount of house tax each ratepayer is called upon to pay. It appears to have been raised lately, but the criticism referred to appears to be somewhat more coherent than the inevitable grumble following such incident. Demanding as bare justice a generally equitable ratio, the critic calls attention to the unfairnesses evident when comparing rating on values and on rentals. Instances are given which would not be informative if reproduced here, and it may be sufficient if the gist of the complaint be deduced from the following quotation:

Broadly speaking the rule appears to be that if it is a fine building on the bund, or other leading thoroughfare, belonging to some wealthy firm or corporation then it shall be assessed at a mere fraction of what the resident to a rented house in a back street has to pay proportionately. Since more money is wanted the best method would be to obtain it from those who can best spare it. Let the hongs and godowns be assessed at the same rate proportionate to value as the smaller houses and the revenue problem would be immediately solved, while an act of simple justice would be done which has been too long delayed. But the members of the council live in hongs.

What looks very like an inspired argument appears in our Hankow contemporary on this point. It goes over, patiently and thoroughly, the wellknown theories or processes of assessing real values. Prime cost is easily shown to be no fair criterion, but the argument that rental value is an absolutely true index fails, as might be expected.

We cannot accept prime cost as any index of real value, but contend that rental value is an index, as it includes all element of value and this we would demonstrate by the following illustrations. Suppose, for the sake of argument, that by some early rights one had been permitted to erect in a convenient position on the bund a small hut or shed which would be of extreme value to some shipping or other firm. The original cost of that hut might be 100 taels and for it one would perhaps receive 100 taels a month. On the other hand one might build a house at the back of the Concession which would cost 2,000 taels and yet only receive 100 taels a month. Taking the taxation at 10 per cent., it would be obviously based on false principles; for one man to pay one tenth of what the other man paid when their rental value was the same would be absurd. Take another case; suppose a man with very luxurious and extravagant ideas were to build a house of marble and other costly materials at a cost of 100,000 taels, and he died insolvent, and the house was sold for 10,000 taels, it would be obviously unfair to tax the new occupant on the original cost. The practice of selling property on the basis of 10, 15, or 20 years purchase of the rental value with modifications governed by the condition of repair is another demonstration of the principle.

In the case of railway stations, for instance, where there can be no gauge of rental, one method is seen to be as useless as the other, though their initial cost is taken into account. Always, however, the community has to fall back upon the business acumen and public spirit and integrity of its assessors; and Hankow, like every other place in the ratepaying world, must trust these important officials, and make due

allowance for the difficulty of their duty. It is not for us or anyone else to criticise in such a matter.

There is another point raised by our contemporary's correspondent with which, as residents in a Colony that has profited greatly by encouraging the settlement of Chinese amongst us, we are more in sympathy. It appears that the British Municipal Council of Hankow discourages Chinese settlers.

When the extension was obtained it was understood that this would be allowed. Under article XXI of the Land Regulations it is provided that: "The municipal Council is empowered to issue, subject to the approval of H. B. M.'s Consul-General in each case, permits to build houses and shops for Chinese occupation upon the lots West of the Poyang road. At the outset the Council of the day took advantage of this empowerment, and Chinese shops and houses are to be found at each end of the Poyang road in consequence. But the present Council refuses to grant such permits and thereby inflicts a serious injury on several sections of the community. First, on those who bought land on the extension, and had it raised at great expense, on the faith that it could be utilized for this purpose. They sunk their capital in what was originally a series of water holes, and there it promises to remain indefinitely as long as this attitude of the Council is maintained. It may, or may not, be a wise policy to keep this land vacant for the benefit of the British merchant of the good time coming which never seems to arrive. Is it fair, however, that this should be done at the expense of the deluded investor in back concession lots? I think not. A similar injury is inflicted on every ratepayer by the Council's policy. It is evident that if money is taken from the ratepayer which the Council could readily obtain from other sources, the ratepayer is to that extent the loser. Now, were more of the extension occupied with Chinese houses the revenue would be vastly increased. For example: on the Taiping Road there are two adjacent lots Nos. 80 and 90, occupied by Chinese. Their united area amount to no more than that of one lot on the old concession, and yet they yield a house tax revenue equal to that derived from all the hongs and godowns on half the bund. . . . The Chinese exclusion policy is further detrimental to the trade of the place. The common saying has it that the trade follows the flag: that is, it follows the people who carry the flag. At present the people are going down to German town, but were the British extension open its superior advantages would lead them to congregate there. Supposing then that it could be filled with the better class of Chinese shops, houses and warehouses—and it is only the large establishments and the well to do who could afford to come—the volume of trade carried on from the British concession would be vastly increased. The import dues, another item of revenue, would also rapidly expand. The outcry against the presence of Chinese in foreign settlements is, from the business point of view, an exceedingly foolish one. Each party benefits from the presence of the other. The Chinese prosper on account of the foreign protection, and the foreigners thrive on the business they bring.

The position could not be better expressed, if argument on argument were multiplied. The Council, evidently sufficiently cautious already, could encourage rapid extension without permitting congested areas to occur as they occurred in Hongkong. We need not waste sympathy on the speculators who reckoned on a line of policy that has not been followed, but on public grounds, the enhancement of needed revenue, the cultivation of trade, and the keeping in the van of what should be the premier settlement, it seems to us that the Municipal Councillors might do worse than reconsider their attitude toward this question. Our contemporary does not deal with this part of the criticism, so far as we have observed; but if the Municipal Council has further arguments we have overlooked, so also have they who believe in encouraging native settlers. But we

have quoted and said enough to give an inkling of the position of affairs at the river port, which is all we set out to do.

FINANCE.

(Daily Press, December 24th.)

In his new book, "American Banking," Mr. EMIL S. FISCHER makes reference to "the financial disasters in the United States of America at the end of 1907." The articles are reprinted from the *Peking and Tientsin Times*. Mr. FISCHER, who has been actively engaged with Financial Associations in South America, Shanghai, and New York since 1900, and is now doing business under his own name in North China, is from his wide experience admirably equipped to give an intelligent account of the causes which have led up to the recent financial capsize in New York. It is, of course, in a pamphlet extending over only 17 pages impossible to give more than the merest sketch of the financial conditions prevailing at New York, but considering the small space at his disposal he has given an admirable summary. The causes were not altogether local, but were the outcome of conflicting laws, as well as the sequels of a long period during which the fundamental principles of national finance were but indifferently comprehended in the States.

National finance as a science is a plant of but slow growth, and it reflects no discredit on the States that the principles of the Higher Finance can hardly be said to have taken root in America prior to the conclusion of the great Civil War half a century ago. It is therefore a subject of little wonder that some of the old prejudices should still remain in a semi-dormant condition. Conformably with the original conception of the United States as a group of separate and independent republics with little more bond of connection than was actually necessary for mutual protection against outside attack, each State was left free to form its own internal administration, and make its own laws; and the thought of a federal bank for the control of the financial affairs of the Union generally never entered the thoughts, even, of the earlier administrators. It was not, indeed, till the Civil War forced on the country generally the necessity of establishing some system of financial control extending over the entire Union, that any such want was experienced. This was sufficiently for the needs of the period, accomplished by strengthening the hands, and increasing the responsibilities of the Secretary to the Treasury. The close of the war found the country flooded with paper money, which had been issued in practically unlimited amounts towards the end, and this had rapidly deteriorated in value, and was becoming a menace to the well being of the entire Union. To effect a return to cash payments, without further rising suspicions on the part of the State Governments was the difficult problem that faced the Secretary to the Treasury. To suggest a State Bank on the model of the Bank of England or Banque de France was in the condition of public feeling not to be thought of, and such was the jealousy of the State administrations that no project to render State Banks amenable to Federal control from Washington could hope to pass Congress. Still all felt that something must be done, and the conclusion arrived at was to authorise the establishment in the States of banks to be known as National Banks alongside the State Banks,—that is, the banks chartered by the various States within their own territory, and subject only to State laws and State control. These

National Banks, on the contrary, were to be independent of the State laws and control, were to be chartered from Washington direct, and to be under the immediate inspection of officers appointed by the Treasury, who were given full powers of inspection at any time, and very efficient control which they were bound to put in practice. In return for this the National Banks were authorised to issue notes, which were to be legal tender, but against which they had always to keep a corresponding amount of Government securities, or actual coin. The Bankers generally complained that these rules were too stringent, and would defeat their own purpose: Government, however, persevered, and several of these banks came into existence, and have continued to the present day.

Alongside these are the ordinary State Banks, subject to the laws of the particular State. For the most part the State laws provide for periodical inspections, but these are by no means of the exhaustive description required by Washington. Regarding these Mr. FISCHER tells us:—"Trust Companies possess charters from State Governments which give them by far a larger latitude and freedom of activity. They generally have very powerful financial interests as their backing. It is by asking State Governments for charters that the powerful political backing plays its rôle. The first trust company in New York was chartered by special act of the Legislature in 1822, and all trust companies up to 1872 were under special law. It depends upon the State politicians to get privileges which place these trust companies in the position of doing business mounting to figures of great magnitude; and as a natural consequence of recent years their numbers have enormously increased. It is quite natural in these disastrous days of collapse that one or other of these could not hold itself. They had not enough cash reserve in their vaults, and were unable to get cash, even at the call rate from day to day of 100 per cent per annum, and found themselves compelled to close their doors so as to save the holdings of the bank from greater loss."

The State Legislatures unskilled in the science of finance had in fact been granting charters, mainly from political influences, which while professing to safeguard depositors and others, permitted things to be done contrary to sound finance, and inconsistent with themselves. He cites as an example the Knickerbocker Trust Company of New York, whose collapse was the immediate cause of the disastrous panic that for three weeks ruled New York. Under its charter the institution was legal depository for State, City, and Court funds; it could hold on trust any real or personal estate, act as executor of deceased estates, trustee, guardian, or as assignee of bankrupt estates, and could undertake the management and control of minors, lunatics and idiots. All these were perfectly legitimate functions, and had the charter strictly limited the disposal of the funds in the hands of the Trust to kindred purposes, the institution would undoubtedly have proved a public benefit. Unfortunately the State Legislature had not the requisite financial knowledge, and placed no restrictions on the kind of securities in which the Trust was permitted to deal. The board of Directors contained names that might have been looked upon as unimpeachable, did there exist a definite rule limiting the investments to real estate or corresponding securities. Unfortunately many of the most influential of the directors were men belonging to the great trusts who have been accustomed, owing to their

personal influence, to override the State legislators, and associated with these were a set of executive officers—smart men, as men are considered so on the New York Stock Exchange. The result was that the Knickerbocker Trust in addition to its primary business of trusteeship, commenced to run in wild competition with the Banks. Now two more inconsistent businesses could not exist. As a matter of necessity the securities of a trust association are immovable, and only realisable by deliberation and on an unexcited market. On the other hand the necessary condition of existence of a bank is that its securities shall be at all times liquid, and never liable to become rigid or sluggish. On this account the institution was not recognised by the New York Clearing House, a voluntary association of the leading banks, including the National Banks. For the purpose of being admitted each bank has to hold at least 25 per cent of its indebtedness to depositors in cash, and so undergo an audit every week when its financial condition is published. Naturally to a trust institution such as the Knickerbocker institution was fundamentally there could be no possibility of its doing this. But this very fact gave it an unfair advantage over the real banks, in aiding concerns that did not desire publicity; and an unscrupulous President took advantage of the opening. The lesson then to be learned from the New York crash is the weakness inherent in many of these American developments from the duplicate system of Federal and State legislation and practise. What may be perfectly legitimate as seen from New York may be highly reprehensible when viewed from Washington, and vice-versa. Fortunately the nation at large is not blind to the evils engendered of double control, and the natural remedy in the gradual extension of Federal over State control is growing steadily from day to day. Still many important influences are ranged on the side of the present wasteful system, and most noteworthy and influential of these are the trusts which strive to monopolise and centre in their own nominees the entire industry of the country. The downfall of the New York Banks is only one of the minor effects of a generally unhealthy system; but has probably done a great deal to opening the public eye to the necessity of some radical change.

SEASONABLE.

(Daily Press, December 25th.)

A MERRY Christmas and a Happy New Year. The old wishes in the same old phrase, with, we trust, some of the same old sincerity and feeling. At this time, and in these regions, it is practically out of the question that we should hope to revive the exuberance of DICKENS' "Christmas Carol," and though that was a noble exuberance, it would here and now perhaps seem forced and even unnecessary. Old SCROOGES are not to be found among our *taipans*; nor are we sure that in their *hongs* would it be easy to discover many of the BOB CRATCHIT type. It isn't the real genuine mistletoe that hangs this morning in many of our houses; nor is it *pukka* holly. Here as in Britain the very children, for whom Christmas is mainly kept up, tell us that SANTA KLAUS consists mostly of false whiskers, and in deference to juvenile enlightenment, many a paterfamilias or host scorns disguise, and officiates at the Christmas tree "in just ordinary clothes." The "mass" part of the word is faithfully observed by the various bodies of worshippers, who are content to ignore the callous critics who

point out that the anniversary must be mistimed, because in December, being the height of Judaea's rainy season, neither flocks nor shepherds could have been at night in the fields of Bethlehem. That doesn't matter in the least, of course, any more than does the juvenile discovery that Hongkong chimneys afford no possible ingress to the rotund, jowled, rubicund figure pictured in the traditional reindeer sleigh. It is Christmas, a season recognised, like the Japanese *bonen kai*, as a time for forgetting things better left unremembered, at least once in a while. We no longer push the sordid aspects of life out of sight by appointing "Lords of Misrule," or "Abbots of Unreason," but we do seem, even the more pessimistic of us, to practise just now the art of smiling more assiduously than usual. It is a time to revive neglected friendships, to forgive and forget enmities, to practise impracticable goodnesses of heart and behaviour, to recognise that "all within the seven seas are brethren," that every living creature in the wheel of things has its claim upon the kindest consideration of the rest. According as each one of us remembers this fact during the current season, we shall enjoy what we are all wishing each other—a Merry Christmas and a Happy New Year.

CHINESE PROCESSIONS.

(Daily Press, 27th December.)

Referring to the recent carnival of the Chinese at Hongkong, a missionary refers to China as "the country of pageant." The procession is China's favourite way of marking any event not fitting in the general run of things, as funerals and weddings. This missionary takes a characteristically foreign view of them, and a view quite transparently tinged by his hatred of their "idolatrous" tendency. They are "tawdry shows, and reveal a complete lack of taste and refinement," and are marred by "din and noise." Buddhist temple processions are "more noisy and more elaborate than the usual wedding and funeral shows." There is usually an idol, with a band of music as near to "his reverence" as possible. "The superstition behind all this is the hope that in some way the gods will show favour to those who honour them." And then—frankly—"It may be said that idolatry is losing its hold upon the Chinese of Hongkong, and we think that the element of idol worship is reduced to a minimum, even if it is not absent altogether. Probably there is some hope in the minds of the less informed that the gods will be inclined to give blessings; but if this is so, little is made thereof publicly." Of the two big dragons at the Hongkong carnival, he says, they were made for the occasion, and "were certainly the most elaborately prepared that I have ever seen in an experience of many processions in China." There is an almost cheerful reference to the ruin that fell, and "probably it will be regarded as betokening bad luck that the gods have sent such weather. And there will be a lurking dread in the minds of the more ignorant lest some further trouble should ensue." Not even the object lesson in the evils of opium, which would "probably do good," could overcome this missionary's repugnance to the whole thing, as witness his remarks that "trade and business have been thrown completely out of gear. The love of the picturesque is no doubt a good thing, but perhaps all the better when kept within proper bounds." How very unreasonable an obsession can make an otherwise reasoning intelligence. Such shows are nearly always "tawdry," from the Lord

Mayor of London's downwards. The "taste and refinement" of them depends entirely on the point of view, and anyway, the Chinese cannot claim a monopoly of that sort of show. We have seen in various parts of Europe just the same thing, including the tawdriness and even the alleged "idols." The very May-day show of the children in some English counties is equally idolatrous; the May-pole itself is an idolatrous survival. Din and noise is a universal accompaniment of public rejoicing, and the Chinese might conceivably mislike the English hurrah or its "jolly good fe-hello" chorus as we their cymbals. Even "the hope that in some way the gods will show favour" is not peculiarly Chinese; the consecration ceremonies and surpliced processions elsewhere having precisely the same significance. The "less informed" and "ignorant" sections of the Chinese have their foreign duplicates, who believe that "happy is the bride the sun shines on," et cetera. As to the "lurking dread" of further trouble to ensue, the ignorant Chinese should not really be sneered at, when we have educated foreigners proclaiming from public pulpits that such grim events as the holocaust at the Paris bazaar, the San Francisco earthquake, and great epidemics, were ordained scourges and warnings to humanity. We have yet to learn that the Chinese carnival at Hongkong has left a single echo of anything regrettable, and it is as unreasonable to grumble about it as it is to sneer at Chinese superstitions. Until for even their beliefs "more of reverence in us dwell," we are not truly reverent; and it is distinctly tiresome to find our most superstitious of foreigners carping at Oriental superstitions. Will the pot never awake to the silliness of calling the kettle black?

HONGKONG SANITARY BOARD.

A meeting of the Sanitary Board was held on Dec. 24th at the Board Room. The Hon. Dr. J. M. Atkinson (president) presided, and there were also present Hon. Mr. W. Chatham (Vice-President), Dr. F. Clark, (Medical Officer of Health), Dr. H. Macfarlane (Assistant Medical Officer of Health), Captain Lyons (Captain Superintendent of Police), Hon. Mr. E. A. Hewett, Mr. A. Shelton Hooper, Mr. Lau Chu-pak, Mr. Fung Wa-chun and Mr. G. A. Woodcock, secretary.

A WATERWORKS REGULATION.

The letter from the Government forwarding a copy of the proposed additional regulation under the Waterworks Ordinance, 1903, which was laid before the Board at the last meeting, again came on for consideration.

The VICE-PRESIDENT—With regard to the proposal, Sir, that this regulation should apply to rider main districts, I may mention that the idea was that tanks were only required in these districts. Where there is a constant supply of water there is no necessity for tanks. It was therefore intended that they should apply to rider main districts more particularly.

Mr. HOOPER—I move that the matter be referred to a committee of this Board. It is absolutely impossible to discuss all the details of the regulations now.

The PRESIDENT—There are only six regulations.

Mr. HOOPER—It is nearly six weeks ago since I saw the minutes, but I saw some controversial subjects in them, and think it would be better that they should be dealt with by a committee, who could report to the Board.

The PRESIDENT—These are regulations made by the Governor-in-Council, and they simply ask the Board if they have any amendments to propose.

Mr. HOOPER—Quite so. I know we have really no *locus standi* at all, but I believe the Governor-in-Council thought it advisable, before adopting the regulations, to obtain the

views of this Board. I think these views can be obtained better when a committee has gone into, and reported on the matter.

Mr. LAU CHU-PAK seconded the motion.

Hon. Mr. HEWETT—With regard to the regulations I am entirely in favour with them, but I beg to remind you of the letter from the Colonial Secretary which is to the effect that the regulations were forwarded for the observations of the Board; therefore I think it is not unreasonable that Mr. Hooper's motion should be accepted. Personally I am entirely in favour of the regulations.

Mr. HOOPER—I don't say that I am not.

The PRESIDENT—It occurred to me, seeing that the regulations were short and concise and that they had been in the hands of members for about a month, the members had made up their minds. Perhaps if they were recirculated it would be sufficient.

Mr. LAU CHU-PAK—We have forgotten all about them now.

Mr. HOOPER—When you say in circulation for a month, you are quite right. They came to me a month ago, and on reading them through, I saw some debatable matter which appeared to me should be discussed.

The PRESIDENT—Then let us proceed with them now.

Mr. HOOPER—There is a distinct motion before the Board.

Hon. Mr. HEWETT—I will move as an amendment that the Secretary read the regulations now. It will be open for the Board to do what they think after discussion.

The PRESIDENT seconded the amendment, which on being put to the vote was lost.

The motion as then put and carried.

The President, Mr. Hooper and Mr. Lau Chu-pak were then appointed a committee to consider the question.

VEGETABLE MARKET AT YAU MATI.

The COLONIAL SECRETARY wrote, in connection with the site for the vegetable market at Yau mati:—I am directed to state that it is proposed to proceed forthwith with the preparation of the site for a vegetable market at Yau mati. The Registrar-General states that an area of 160 ft. by 30 ft. will be sufficient in the first instance, and this area will accordingly be concreted and drained, and a water supply will be provided as suggested by the Board. The area will be increased to 150 ft. by 60 ft. when it is considered necessary, and it is proposed eventually to roof over the whole site.

The letter was laid on the table.

INFECTED PERSONS AND INFECTED PREMISES.

Mr. LAU CHU-PAK submitted the following suggestions, for the consideration of the Board, on the amendment of the existing Public Health Ordinance and the byelaws made thereunder in respect of the removal of infected persons, disinfection of infected premises, &c.

Section 87 of the Ordinance. In the 3rd and 4th lines, the words "or is lodged in a domestic building occupied by more than one family" should be deleted to admit of persons suffering from plague or other infectious diseases being treated in their own houses. Where a floor is occupied by one family only and where the relatives of the patient are prepared to vacate that floor for the sake of the patient, permission should be given for him to be treated on his own floor.

Section 88. In the 2nd line of this section, I would insert the word "knowingly" between the words, "shall enter," as a patient might enter a public vehicle without knowing that he was suffering from any infectious disease.

Byelaws for Disinfection of infected premises (p. 95). Byelaw 2. For this, I would substitute section 129 of the Public Health Act 1875, which reads as follows:—"Where any local authority are of opinion . . . that the cleansing and disinfecting of any house or part thereof, and of any articles therein likely to retain infection, would tend to prevent or check infectious disease, it shall be the duty of such authority to give notice in writing to the owner or occupier of such house or part thereof requiring him to cleanse and disinfect such house or part thereof and articles within a time specified in such notice. Where the owner or occupier of any such house or part thereof is from poverty or otherwise unable, in the opinion of the local authority, effectually to carry out the requirements of this section, such

authority may, without enforcing such requirements on such owner or occupier, with his consent cleanse and disinfect such house or part thereof and articles, and defray the expenses thereof."

With the amendment of this byelaw to enable the Chinese to do the cleansing themselves it is hoped that they may view the sanitary measures with less repugnance and that it may induce them to give the Board their co-operation. Such amendment would be more in accord with the law of England.

Byelaws for mitigation of epidemic diseases, &c. (p. 122). Byelaw 1. I am of opinion that the words "(even when any such disease is not known to exist in the Colony)" in the 2nd and 3rd lines should be struck out altogether. This byelaw is most drastic and arbitrary and has to be enforced with the greatest discretion. It should only be enforced in the district where plague or other infectious diseases are prevalent in epidemic form, and even then due notice should be given both in English and Chinese in the "Government Gazette" and the local journals before it is put in force.

In paragraph 2 of the same byelaws the term "officer of the Sanitary Department" appears to me to be too vague and should be clearly defined. The power of entering houses without notice should not be vested in the subordinate officers. "5 a.m. and 6 p.m." should be altered to "8 a.m. and 6 p.m." As the byelaw stands at present, it is moreover inconsistent with section 21 of the Ordinance, as well as byelaw 3 for entry and inspection of Buildings (page 106).

Paragraph 3. Of the same byelaw. Compensation should be given unconditionally in every case where property has been damaged or destroyed. Byelaw 3 I would delete the words "and use them" in the last paragraph and add the following in their stead "or make such other arrangements as the Board may deem necessary." With the proposed amendment the Board would not be so handicapped, as it may find it more convenient to put up the canvas tents for the accommodation of the persons so removed, &c.

Byelaws for removal of patients (p. 124). Byelaw 3. In the 4th line after the words "is improperly lodged" add the following line "and there is no other alternative to admit of the person being safely treated in his own house." To enlist the sympathy and co-operation of the Chinese every facility should be given to them for treating their sick at home.

The plague procedure drawn up some years ago by a Committee of the Board should be so modified as to make it consistent with the proposed amendments and also to legalize all the arrangements since made for working the Chinese public dispensaries and district hospitals between the M.O.H. and the Committee of those institutions.

The MEDICAL OFFICER OF HEALTH replied as follows:—

(1) I am strongly of opinion that Chinese tenement houses are most unsuitable for the treatment of cases of plague and I do not consider it would be safe to allow them to be so treated if only the floor on which the case occurs is to be vacated by the other occupants. I advise that cases be only allowed to be treated in their own houses when the entire premises are in one occupation so that the patient can be properly isolated.

(2) I think this is a question for the discretion of the Magistrate. It is almost always impossible to prove that a person knows he is suffering from an infectious disease, though there may be very strong grounds for believing that he must have known. As a matter of fact, it is seldom indeed that the sick person is prosecuted for this offence. I do not remember a single instance of such a prosecution.

(3) It would be a farce to leave the disinfection of infected premises to the Chinese coolie tenant, and for the sanitary board to order such person to disinfect his house at his own expense would simply lead to the premises being abandoned and the infected articles carried away to infect some other premises.

(4) The adoption of this suggestion would at once abolish systematic house to house cleaning which now goes on throughout the year with very little inconvenience to the tenants as they are allowed to do the work themselves and are merely supervised by the inspector and supplied

with the necessary disinfectants, hot water and soap. This systematic cleansing is one of the most valued protective measures and I advise that it be continued. It is the duty of the Sanitary Board to prevent disease, not to wait till it is epidemic before moving in the matter. "Officer of the Sanitary Department" is already defined in section 19 of the Ordinance. I do not see any objection to the alteration of the hour from 5 a.m. to 8 a.m. in the second paragraph of bye-law 1.

(5) "Improperly lodged" means the same thing as the phrase suggested and is the wording of the home act and expresses in my opinion all that is necessary.

The REGISTRAR-GENERAL minuted:—After the opinions of the members of the Board have been obtained this paper might be referred to a sub-committee consisting of Messrs. Fung Wa-chuen, Lau Chu-pak, Dr. Clark and myself.

Mr. LAU CHU-PAK wrote as follows in reply to the minute of the Medical Officer of Health:—

(1) My object in suggesting that the Chinese should be given the option of treating their sick in their own houses, or if that is not feasible, to treat them in an appointed house in the immediate neighbourhood is to induce them to come forward unreluctantly to report cases of sickness during the plague season. Theoretically, it is, no doubt, advisable to have every plague patient properly isolated, but I fail to see how this can be done in practice, as the Chinese do not like to part with their sick, until there is no hope of saving them, and it is only human nature, especially in the cases of husband and wife and mother and child, that they should do so. It has been amply known from experience that the Chinese would rather conceal their sick until the last moment, and dump their dead in cases where their fellow lodgers would be involved in trouble, in order to avoid detection, than to submit to forcible removal. Would it not, therefore, be better to allow them the option of treating their sick in their own houses, or in some places, where the relatives can tend and soothe the minds of their sick by being present more often, thus ensuring the disinfection of every infected building and placing every plague patient under proper surveillance? The byelaw as to isolation has proved to be a failure, it is time that some new scheme should be tried. Moreover, it has transpired that plague is after all not so infectious, and so complete isolation might not be insisted upon.

(2) If it is impossible to prove that a Chinese patient knows that he is suffering from an infectious disease, why retain this part of the section? It appears to me that it is most undesirable to make it illegal for a patient to hire a vehicle for his own conveyance.

(3) I think my intention has been misinterpreted. It has never occurred to me to discourage the present system of house cleansing during the plague season. As a matter of fact, it was I who first advocated this method of cleansing by the Chinese residents themselves as a measure to replace the harsh fumigation with chlorine. I am glad that it now merits the appreciation of the M. O. H. My intention simply aims at having such amendments introduced as will allow the better class of Chinese and the shopkeepers to do the cleansing and disinfecting work themselves, even when a case of plague takes place on their premises. During Dr. Pearce's regime, it was arranged through the Honourable Registrar General that the occupiers of the upper or lower floor of a house other than the floor on which the death occurs, should be permitted to wash and disinfect their own floors, if they should so wish and if the officer in charge of the cleansing gang thought the work could be so done satisfactorily. The Chinese have since gladly availed themselves of this concession. Why should, in the case of the infected floors, a similar concession not be granted to them? The work will also be carried out under the supervision of the M. O. H. or his deputies. I need scarcely repeat that the Chinese are strongly averse to the foremen and the coolies of the Sanitary Department invading their homes. I may here mention that the Honourable Registrar General, with the co-operation of the Chinese members of the Board, and some other Chinese gentlemen, is forming a "Kaifong" corps or committees of a few men in every street to assist the Government in checking dumping.

This corps, when formed, will, I hope, be able to do more good in promoting sanitary improvements than an army of foremen and coolies in the pay of the Sanitary Department. In the case of a coolie tenant, the suggested amendment still empowers the Board to carry out the disinfecting work by its own staff.

(4) I fail to see how the adoption of the suggested amendment can affect the general cleansing of the town, which had been in vogue long before Ordinance 15 of 1894 was enacted. The present byelaw was remodelled from byelaw 25 made under section 13 of that Ordinance. In the old days, during the cleansing period, the inhabitants were given every facility for carrying out the work, a full supply of water being turned on and dust-carts sent round to remove the refuse taken out of the different homes. The cleansing, though not so often as now, was done three times a year, and notice was each time issued by the Registrar General informing the inhabitants of the facilities given them. The evil of dumping dead bodies was, apparently, brought on by the introduction of a new law in 1894, and even at that time the byelaw above referred to was only enforced during the prevalence of an epidemic. Conditions are now different. Public dispensaries having been established by the Chinese to co-operate with the Board, and more facilities given by the authorities in regard to their domestic comfort, the present byelaw, No. 1, should be so modified as to conform to existing conditions. If, however, it is deemed necessary to legalize the present procedure of general cleansing, a clause can easily be inserted to that effect, leaving out all the other measures mentioned in the byelaw to be enforced only in time of epidemic. The power of entering houses without notice should never be vested in the subordinate officers.

This matter was referred to a committee consisting of the Registrar-General, Mr. Fung Wa-chuen and the Medical Officer of Health.

MR. HOOPER AND THE GOVERNOR-IN-COUNCIL.
Mr. HOOPER submitted a long minute as follows:—My reasons for proposing that the recommendations of the Sanitary Board that the modification of the requirements of section 188 of the Public Health and Building Ordinance in respect of houses on Marine Lot 57, and which were to be approved by the Governor-in-Council, should be referred back to the Governor-in-Council for further consideration are as follows:—

(1) That Professor Simpson in his report to the Secretary of State recommended that every house should have a latrine.

(2) That placing a latrine on the roof in the proposed position is the best.

(3) That although the latrine does increase the height of the portion when in the front it is a much more sanitary position than placing it in the centre of the building on the roof which the applicant is entitled to do without any permission.

(4) That if the proposed erection were a brick chimney occupying exactly the same position, no permission would be required.

(5) That the Board unanimously recommended the Governor-in-Council to grant the application. Three members of the Board were absent namely, the Director of Public Works, Mr. Fung Wa-chuen and Lieut. Col. Reid.

(6) That the Medical Officer of Health recommended the Board to grant the application, and the Principal Civil Medical Officer wrote to the Colonial Secretary and informed him of the views of the Medical Officer of Health.

(7) That it was not until the notification came from the Government that the Governor-in-Council refused to grant the modification recommended, that the Director of Public Works stated that the applicant had been granted several other modifications.

(8) These several modifications he stated are as follows:—

(a) The godowns are permitted to project into the back yard spaces of the ground floor to the extent of six feet subject to certain conditions. This is a modification of section 180.

(b) The Government has agreed to purchase a strip of land in the centre of the block at the rate of \$8 per foot in order to improve the proposed building scheme, Ordinance 1 of 1903, giving the necessary powers for curtailing the depth of houses erected on the Praya. This is more than a modification.

(c) A modification of the Praya Reclamation Ordinance has been granted allowing houses of the northern block open spaces as shown on the plan.

(d) It was also agreed that a modification of the Praya Reclamation Ordinance should be granted, if required, to enable latrines to be erected in the back yards left for the houses after the formation of the 22 ft. lane.

(e) Another modification was granted permitting houses to exceed fifteen feet in height.

(9) In respect to these reputed modifications I reply as follows:—

(a) This modification was applied for by the architects and granted only on condition that the remainder of the yard of these houses was thrown into the 20 foot road the Government wished to form through the property; the owner had no option but to accept this, otherwise the permit for the verandahs of the northern block would have been refused.

(b) No modification. Government desired a road 22 ft. wide through this property, and have resumed a strip eight feet in width. The remainder has been acquired from the owner without payment, the granting of a permit for the above mentioned verandahs being a lever used to obtain the result. If the Government had been so seriously concerned about the alleged insanitary condition of these houses it would have been quite simple to have resumed and paid for the whole 22 feet, and thus have necessitated the owner curtailing the depth of his houses by setting back the rear walls so as to fulfil the requirements of the Praya reclamation scheme as to back yards.

(c) No modification, or if so, only a technical one. The Praya Reclamation and the Building Ordinance are not in agreement. The open space required for these houses under the former was provided by the owner. The latter ordinance says "no kitchen shall extend across more than the width of a house." This necessitated the altering of the shop yards so as to meet this requirement. It is distinctly beneficial to the houses from a sanitary point of view, and not of the slightest benefit to the owner financially.

(d) No application for a modification necessary. The Praya Reclamation Ordinance requires a yard of a certain size, and the Building Ordinance says latrines may be erected in yards.

(e) No modification. The Building Ordinance enacts "No storey shall exceed fifteen feet without the permission of the Building Authority who in such case shall prescribe to what extent, if any, the walls shall be increased in thickness." The exercise of discretionary powers by the Building Authority with regard to the necessary strength of walls when they are more than fifteen feet high cannot be called a modification of the Ordinance.

(10) With regard to the back yards. It is governed by subsection (a) of section 180, as the land forms part of the Praya reclamation, and it is in the knowledge of the Government that this subsection was specially put in the Public Health and Buildings Ordinance on account of the agreement entered into between the Government and the owner who reclaimed the land, as without this subsection the owner would have been entitled to compensation.

(11) Subsection 2 of section 151 provides that these houses need not have lateral windows opening into external air, as the Crown lease specially provides for the erection of houses on this land of a greater depth than 40 feet.

The DIRECTOR OF PUBLIC WORKS, replied as follows:—

I do not consider it necessary to deal serially with the points raised in Mr. Shelton Hooper's minute of the 22nd ultimo, as many are beside the question. The facts as far as they relate to the application before the Board for permission to erect latrines on the roofs of the southern block of houses are as follows:—

(a) The land is being built on for the first time and there is therefore no question of the owner having any claim, morally or otherwise, of his having formerly possessed latrines on the roofs.

(b) It is quite possible to erect houses of an improved and sanitary type without requiring any modifications but the owner elects to erect houses of the old type and of such depth as to constitute them insanitary.

The following are the depths of the houses:—two at 81 feet, one at 79, one at 74, one at 68, one at 55, one at 44 and one at 36 feet.

(c) The Public Health and Buildings Ordinance expressly forbids the erection of houses of this type of a greater depth than 49 feet, but unfortunately the houses in question are exempted from this provision. The mere fact of them being so exempted cannot be regarded as entitling them to special consideration with regard to other matters.

I can see no force in the reason that the owner could erect chimneys equal in size to the proposed latrines without requiring any modification to enable him to do so. The buildings are shown to have the requisite chimneys which fall partly outside the building land sanctioned by the Ordinance. The Ordinance provides for this.

The position of the latrines is not in my opinion more sanitary than if they were placed in the centre of the roof.

Mr. Hooper states that it would have been quite simple for the Government to have resumed and paid for the whole of the 22 feet lane or street between the block of houses under construction and the adjoining block. So it would, but it would have formed a serious charge on the public purse. The Government have agreed to pay \$8,488 for the eight feet strip and at the same rate the compensation for the 22 feet strip would have amounted to \$23,132.

The Board is supposed to deal with each case on its merits; personally, I fail to see any merits in the present case.

The REGISTRAR GENERAL minuted:—Everything relating to modifications which have been granted to the owner of this building is beside the question. The modifications were not granted or recommended by the Board and cannot be used as an argument against the granting of the request under consideration, for the building is legal and that is enough for us. The conscience of the community may have become quickened during the last twenty years and may not consider the type as unsanitary, but that is no reason why we should refuse a reasonable request for permission technically to infringe the Ordinance if the infringement is not insanitary.

(2) Ordinarily I am prepared to accept the M. O. H.'s opinion when he reports a proposal to be unobjectionable from a sanitary point of view, and I did so in this case. But a closer examination of the proposal makes me think it was quite unnecessary to recommend it and there is an objection to latrines being placed in the position proposed.

(3) As far as I can make out each latrine has a surface facing the road of 26 square feet, and this is equivalent to raising the building 1½ feet.

This means a sensible addition to the obstruction of light and air in the street on which the latrines look and the buildings on the other side of the street. The Sanitary Board has raised no objection to latrines in the centre of the roof; they are sufficiently sanitary. The owners make them more sanitary in one way by putting them at the edge of the roof, but by so doing they make them more insanitary in another way.

(4) The fourth of Mr. Hooper's reasons is not very cogent and, if accepted, would lead to the Board sanctioning a general increase in the height of buildings. If a latrine, why not a kitchen and bathroom, raising the height of the building along the whole breadth of it seven or eight feet? But latrines and chimneys do not come under the same category and the wording of section 189 (1) shows the class of erections falling outside the building laws to be on the outside of the building. We do not look for ornamental towers and parapets inside a building, but that is where we would expect to find a latrine. Further the surface of the proposed latrine facing the street is more than double the surface of a chimney.

(5) The fifth of Mr. Hooper's reasons is the only reason there is for asking the Governor-in-Council to reconsider his decision.

Mr. HOOPER—As Mr. Chatham does not consider it necessary to deal seriatim with the points raised in my minute, I do not propose to add anything further by way of minutes. I think the members of the Board can now easily see which is the better case.

A discussion took place as to the reading of the minutes which were lengthy ones. As they had been circulated, the majority of members

agreed to take them as read, but the VICE-PRESIDENT said it was usual to read the minutes, some of which he wished to hear.

Mr. HOOPER—That being so, my minute must be read.

Hon. Mr. HEWETT—It's Christmas eve.

The PRESIDENT—I'm afraid life's too short to read all these minutes. Are members prepared to discuss the question, or shall we put it to the vote?

Mr. HOOPER—Before you do that I would like to refresh members' memories. When this matter previously came before the Board I proposed a resolution that it be referred back to the Governor-in-Council for reconsideration. It was on that resolution I was invited to write my minute, and that resolution I am prepared to renew to day.

Mr. LAU CHU-PAK seconded the motion.

Mr. HOOPER then proceeded to explain a few points. The Director of Public Works said he thought it would be quite as sanitary to place latrines in the middle of a roof as on a side of it. With all due respect to the Director of Public Works, Mr. Hooper wished to direct his attention to the fact that the latrine in question was on a flat roof, and it was a very difficult thing to keep flat roofs watertight in this Colony; and a latrine in such a place would not be as sanitary as if it were on the edge of a roof. He thought it was the Registrar-General who said the erection of this latrine would take away so much light and air from the street, and would amount, if laid horizontally, to increasing the whole height of the building a foot and a half, but that did not hold good.

The motion, that the matter be referred back to the Governor-in-Council together with all papers, was carried.

SECTION 175 AGAIN.

Correspondence was read relative to a modification of the requirements of section 175 of the Public Health and Buildings Ordinance in regard to Nos. 80 to 131 and 112 to 134 Queen's Road West; 34 and 38 to 46 Square Street; and 207, 233, 235, 237 and 261 Hollywood Road.

INSPECTOR FISHER stated—The houses mentioned in the list attached have no yards, but in most cases have lanes in the rear. Would it be advisable to have legal notices served directly on the owners, or should letters be sent explaining the situation so that they may make application for exemption without notices being served?

The MEDICAL OFFICER OF HEALTH—The Board are well aware that I do not recommend corner houses for exemption from the provision of small yards for the reasons repeatedly stated by me, namely, that a yard is necessary as a place for the deposit of refuse, which should stand in a receptacle in the open air, and not inside the house.

Mr. HUMPHREYS—I do not gather from the correspondence circulated that the Medical Officer of Health makes any definite recommendations or why so many houses in different localities requiring possibly different treatment are being dealt with altogether.

Mr. LAU CHU-PAK—What is the Medical Officer of Health's recommendation in each case? The wall lit houses should be recommended for exemption.

The applications were considered seriatim, some being granted and some refused.

MORTALITY STATISTICS

The Mortality statistics for the whole Colony for the week ended November 30 give the total number of deaths as 149, being 2.5 per 1,000 as against 18.5 for the corresponding period last year. Fevers were responsible for twenty deaths, chest affections for 37, diarrhoea and dysentery for five each.

The Chientao affair is reported to have resulted in the recall of the Chinese Consul-General in Seoul, Ma Tingling. Ma has been reproached, says a China paper, because he reported without any foundation to the Waiwup that Japan had sent a large body of troops to Chientao, while the facts are that Japan had stationed there only fifty guards until the question which has been pending for several months, whether Chientao belongs to China or Korea, is settled. It is reported that Ma will be succeeded in Seoul by Wu Chungtaing, the present Consul-General in Yokohama.

HONGKONG GENERAL CHAMBER OF COMMERCE.

Minutes of a Monthly Meeting of the General Committee of the Hongkong Chamber of Commerce held in the Chamber Room, St. George's Building, Hongkong on Tuesday, 12th November, 1907 at 3.30 p.m. Present:—Hon. Mr. E. A. Hewett (Chairman), Messrs. A. G. Wood, (Vice-Chairman), A. Haunt, D. R. Law, G. H. Medhurst, J. R. M. Smith, H. E. Tomkins and A. R. Lowe, Secretary.

MINUTES.

The Minutes of the Monthly Meeting held on 31st October were read and confirmed.

SHANGHAI INTERNATIONAL EXHIBITION 1909.

The following letter from the Government was read:—

Colonial Secretary's Office,
Hongkong, 21st October, 1907.

SIR I am directed to forward a copy of a letter addressed by the Chairman of the Shanghai Branch of the China Association to His Majesty's Consul-General at Shanghai on the subject of an exhibition which it is proposed to hold at that port in 1909, and to request that your Chamber will be so good as to furnish me with their views regarding the proposal that this Colony should participate.—I am, dear Sir, Your obedient servant,

(Sgd.) F. H. MAY,
Colonial Secretary.

The Secretary
Chamber of Commerce.

China Association,
Shanghai Branch,
18th July, 1907.

Sir Pelham Warren, K.C.M.G.
H. B. M. Consul-General,
Shanghai.

SIR,—I have the honour to inform you that it is proposed to hold an International Exhibition in Shanghai under the auspices of this Association during 1909 provided sufficient support can be obtained.

The Exhibition will be called Shanghai International Exhibition and will be confined to staple manufactures and machinery.

It is of course impossible at this early stage to give particulars of space available for each exhibitor or of the terms on which space can be rented. I may however mention that 70 acres of land have been secured in a suitable situation and I hope shortly to forward a plan of same with proposed buildings. In the meantime I would be glad if you would communicate with the Governors of the various Colonies and ascertain from them what measures of support the Exhibition is likely to receive from the manufacturers in their districts and if they will be prepared to subscribe to a guarantee fund, which it will be necessary to raise.

So far as can be seen the scheme has every prospect of success, and will no doubt prove beneficial to British interests in the Far East. Further particulars will be forwarded as soon as possible.—I have etc.

(Sgd.) E. B. SKOTTOWE,
Chairman.

It was decided to reply that the Committee recommended the Government to bring the proposal before all likely Hongkong Exhibitors and to endeavour to form a court thoroughly representative of the Colony's trade and industries.

CURRENCY QUESTION.

The following correspondence was read:—
Colonial Secretary's Office,
Hongkong, 23rd October, 1907.

SIR, With reference to Mr. Thomson's letter of the 21st May, I am directed to transmit for the information of the Chamber of Commerce the enclosed copy of a despatch addressed by His Majesty's Minister at Peking to the Secretary of State for Foreign Affairs on the subject of the representations made by the Chinese Government in the matter of the reform of the currency in China.—I am, Sir, Your obedient servant.

(Sgd.) F. H. MAY,
Colonial Secretary.

The Secretary,
Chamber of Commerce.

Enclosure No. 3c3.

Peking, 24th July, 1907.

SIR, In pursuance of a representation which he recently received from the Chambers of Commerce of Hongkong, Shanghai and Tientsin the Doyen of the Diplomatic Corps addressed a note, copy of which I have the honour to enclose, to Prince Ch'ing again calling the attention of His Highness to the disabilities under which Foreign Trade is labouring owing to the delay in the establishment of a uniform National Coinage.

In his reply, copy of which is likewise enclosed the Prince states that the question is now under the consideration of a Commission composed of officials in the Grand Secretariat and other departments of State who will make a report to the Throne, after which His Highness promises to furnish fuller information on the subject.

In spite of his assurances, I regret to say that no material advance has, as far as I can ascertain, been made towards the attainment of a uniform system of currency. At the same time it must be admitted that in certain respects, at least the Chinese Government have shown some appreciation of the disadvantages of irresponsible action on the part of the provinces.

Restrictions have been placed on the issue of copper coins from the provincial mints, the experiment which His Excellency Chang Ching-tung was authorised to make of introducing a Tael coinage has been stopped and its failure seems to have convinced the Central Government that the dollar must be adopted as the standard coin.

Apart from the above and the visit of inspection which His Excellency Ch'en-pi, the Vice-President of the Board of Finance, lately made to the provincial mints, China has not yet taken any effective measures towards accomplishing the difficult task she has set herself by the Second Article of the British Treaty of 1902.—I have, etc.

(Sgd.) J. N. JORDAN.

The Right Honourable

Sir Edward Grey, Bart. M.P.

&c., &c., &c.

Copy.

The Dean of the Diplomatic Body to H.I.H. the Prince Ch'ing.

Peking, July 12th, 1907.

IMPERIAL HIGHNESS, The serious disabilities under which foreign trade in China has been labouring by reason of the incessant and often violent fluctuations in the gold value of silver, are well known to the Imperial Government of China, and remedial measures, particularly the early adoption of a uniform coinage, have, we are aware, received its careful attention within the last few years; none have, however, we believe, met with its approval, and the difficulty of the situation appears to be increasing, and proves ever more disturbing to foreign commercial interests in China.

The gravity of the situation thus created, and the difficulty in which the Foreign Representatives at Peking find themselves to reassure their nationals and to hold out to them hopes for a betterment, have led them to request me to address Your Imperial Highness on the subject, and to ask if it be not possible that some assurance be given them that the measures now under consideration for the adoption of a uniform coinage are such that a favourable and early solution of the question can be hoped for. Such assurances they could in turn communicate to the commercial bodies engaged in the China trade and they would unquestionably allay all apprehensions on that point, and re-establish confidence—so essential to commercial undertakings, of every nature.

Trusting that Your Imperial Highness will be in a position to supply the Diplomatic Body the information it desires, I avail myself of this opportunity to renew to Your Imperial Highness the assurance of my highest consideration.

THE DEAN OF THE DIPLOMATIC BODY.

Copy.

Lettre du Prince Ching a Son Excellence le Jonkheer van Citters, Ministre des Pays Bas et Doyen du Corps Diplomatique à Pékin.

Le 10 Juillet, 1907.

J'ai l'honneur de vous accuser réception de la lettre du 12 Juin dernier concernant l'introduction d'un système monétaire uniforme en Chine et me demandant si les mesures maintenant en considération, donnaient à espérer une favorable et prompte solution avec prière d'une réponse.

Notre Département s'est empressé de se mettre en communication avec le Ministère des Finances, qui nous fait parvenir la communication suivante:

"Considérant que le prix de l'or et de l'argent est exposé à des hausses et des baisses, notre Département est justement en train de chercher un moyen pour avoir un système monétaire uniforme en Chine.

"Le 10 Mai dernier un memorandum fut présenté au trône et en réponse un Décret Impérial ordonnait aux fonctionnaires du Grand Secrétariat et des divers Départements de se concerter et d'en faire un rapport au trône.

"Après que les pourparlers auront eu lieu et le rapport avec les moyens à employer sera envoyé au trône, nous vous ferons savoir les détails, avec un compte rendu exact."

Nous avons l'honneur de porter ce qui précède à la connaissance de Votre Excellence.

The CHAIRMAN said it was regrettable to learn that no material advance had so far been made by the Chinese Government in placing the currency of the Empire on a uniform basis but it was to be hoped that the Hongkong Government would lose no opportunity of furthering the project as opportunity offered.

CHINESE EMIGRATION ORDINANCE 1889.

Letter from the Government was read as follows:—

Colonial Secretary's Office,
Hongkong, 22nd October, 1907.

SIR,—With reference to Mr. Sercombe Smith's letter of the 16th of November, 1906, and to previous correspondence I am directed to inform you that His Majesty's Government does not see its way to permit the amendment of the Chinese Emigration Ordinance 1889, in the direction desired by the Chamber.—I am, Sir, Your obedient servant,

(Sgd.) F. H. MAY,
Colonial Secretary.

The Secretary,
Chamber of Commerce.

The CHAIRMAN remarked that the attitude of the Home Government towards the carrying of contract Chinese labourers in British Ships on voyages of over 30 days' duration was to be regretted in the interests of British Trade but it was not unexpected and it would be advisable to represent the feeling of the Chamber to the London Chamber of Commerce.

PROPOSED ESTABLISHMENT IN THE COLONY OF A BRANCH BANK OF THE CHINESE IMPERIAL GOVERNMENT.

The following Letter and Enclosures were read:—

Colonial Secretary's Office,
Hongkong, 29th October, 1907.

SIR,—I am directed to forward a translation of an article which appeared in a local Vernacular Paper on the 17th instant regarding the proposed establishment in this Colony of a branch of the Bank controlled by the Chinese Board of Finance, and to request that you will be so good as to furnish me with the views of your Chamber on the subject.—I am, Sir, Your obedient servant,

(Sgd.) F. H. MAY,
Colonial Secretary.

The Secretary,
Hongkong General Chamber of Commerce.

TRANSLATIONS.

Translations.
Extract from the "Tsau Wan Yat Po" of the 17th October, 1907.

Proposed Establishment of a Branch Bank in Hongkong.

Taotai Wa Ho of the Imperial Chinese Telegraph Administration, Hongkong, has recently forwarded a petition to the Viceroy to the following effect:—

The Bank controlled by the Board of Finance has made a very good profit since it was first established. Taotai Lok Ping has received the Imperial Command to start a branch of that Bank in Canton. The close commercial connection between Canton and Hongkong demands that a branch of the bank should also be established in Hongkong so as to improve the

present facilities for trade. If such a branch bank of the Imperial Chinese Government is established, commerce is bound to improve. He requests the Viceroy to submit his suggestions for the consideration of the Board of Revenue and the Chief Director of the Bank.

It was decided to reply that the Chamber could see no reason to object against the opening of a Chinese Government Bank in the Colony so long as it was on exactly the same footing as the other Foreign Banks now trading in the Colony.

MR. YANG SHIH CHI, AN OFFICIAL DEPUTED BY THE CHINESE GOVERNMENT TO INVESTIGATE INTO TRADE CONDITIONS OF THE VARIOUS COLONIAL POSSESSIONS OF THE WESTERN POWERS.

The following Correspondence was read:—

Colonial Secretary's Office,
Hongkong, 29th October, 1907.

SIR,—I am directed to inform you that an official named Mr. Yang Shih Chi, who has been deputed by the Chinese Government to proceed on a mission of investigation into trade conditions in the various Colonial Possessions of the Western Powers where there are Chinese Communities, is expected to arrive shortly in this Colony.

2. His Excellency will be glad to have any observations or suggestions that your Chamber may see fit to offer regarding Mr. Yang's visit.—I am, Sir, Your obedient servant.

(Sgd.) F. H. MAY,
Colonial Secretary.

The Secretary,
Hongkong General Chamber of Commerce.

Hongkong Chamber of Commerce,
8th November, 1907.

SIR,—I am directed to acknowledge the receipt of your letter of 29th ultimo (No. 7434/197) relative to the mission of Mr. Yang Shih Chi and to express the thanks of my Committee for the information placed at their disposal.

This Chamber has no particular observations or suggestions to offer regarding Mr. Yang's visit, but if that gentleman desires any information which he believes the Chamber can supply as to the course of trade in this Colony, I am to suggest that he should either write direct to me on the points he requires elucidation, or make an appointment for a personal interview with me at the office of this Chamber.—I have the honour to be, Sir, Your obedient servant,

(Sgd.) A. E. LOWE,
Secretary.

Hon. F. H. May, C.M.G.,
Colonial Secretary.

The Secretary reported that Mr. Yang Shih Chi had not applied for any information.

LONDON CHAMBER OF COMMERCE COMMERCIAL EXAMINATIONS.

The following letter from the Commercial Education Department of the London Chamber was read:—

Oxford Court,
Cannon Street, E.C.

2nd October, 1907.

DEAR SIR,—The Commercial Education Committee of this Chamber desire to call your attention to the Scheme of Commercial Education which it has promoted since 1890, and cordially invites the assistance of your Chamber in this important work.

No less than 33 Chambers of Commerce in the United Kingdom and the Colonies are co-operating with this Chamber, by conducting under their auspices, the examination of students who may be presented from the Schools or Colleges in their respective towns or districts.

A copy of the Syllabus of the Examinations for 1908—a circular letter, addressed to parents, guardians and students, setting forth the objects and advantages of these examinations for those intended for a commercial career—and the Rules and Regulations for the formation of a Local Centre of examinations, by Chambers of Commerce are sent under separate cover. Should your require additional copies of any of the above, or further particulars relating thereto, they will be readily supplied on application.

Trusting that your Chamber may give this matter their careful consideration and decide to co-operate in this movement.—Yours faithfully,
(Sgd.) KENNEDY B. MURRAY, Secretary.

The Secretary,
Chamber of Commerce,
Hongkong, China,
The Enclosures were laid on the table.
It was agreed that the Chairman should
discuss the matter with the Inspector of
Schools.

THE EWO COTTON SPINNING & WEAVING CO., LD.

ANNUAL REPORT.

The general managers submit a statement of
accounts to October 31, 1907, showing the result
of twelve months' working to that date.

The period under review has been an abnor-
mally bad one for all yarns, and while the cotton
crop of 1906-7 was of good quality, it was in
short supply, and prices were maintained at a
high level throughout the year.

The balance at credit of Profit and Loss is
Tls. 46,307.82 which it is proposed to deal with
as follows:—

	Tls.
To pay a dividend of Tls. 2.50 per share on 15,000 shares	37,500.00
To carry forward to new account	8,807.82
Tls.	46,307.82

During the year the sum of Tls. 22,663.03 has
been expended on special repairs and renewals
out of the amount of Tls. 45,939.90 set aside for
that purpose in 1905.

CONSULTING COMMITTEE.

On his departure for Europe, Mr. P. F.
Lavers resigned his seat on the Committee and
Mr. E. E. Clark was invited to fill the vacancy.
H.E. Lord Li Ching-fong has also resigned for
the same reason, but the vacancy has not so far
been filled.

In accordance with Article XVII. the Mem-
bers of the Consulting Committee retire, but all
are eligible and offer themselves for re-election.

AUDITOR.

Mr. G. R. Wingrove has audited the Com-
pany's accounts and his re-election to the position
requires the confirmation of the shareholders.

JARDINE, MATHESON & CO., LD.,
General Managers.

Shanghai, December 10, 1907.

STATEMENT OF ACCOUNTS

For year ended October 31, 1907.

(Cents omitted).

BALANCE SHEET at October 31, 1907.

LIABILITIES.

Dr.	Tls.
To-capital—Authorized 20,000 shares at Tls. 50—Tls. 1,000,000—subscribed 15,000 shares at Tls. 50	750,000
„ Jardine, Matheson & Co., Ltd.	507,017
„ Accounts payable	91,358
„ Uncollected dividends	12,098
„ Repairs and renewals	23,276
„ Equalization of dividend account	150,000
„ Profit and loss	46,307

Tls. 1,580,057

ASSETS.

Cr.	Tls.
By Property	139,438
„ Buildings	300,430
„ Plant and machinery	367,630
„ Water supply	4,220
„ Furniture	4,264
„ Mill stores	16,598
„ Cotton stock	80,371
„ Cotton and yarn in process	30,156
„ Yarn stock	551,789
„ Waste in stock	2,748
„ Unexpired fire insurance premia	6,684
„ Unexpired rates and taxes	422
„ Accounts receivable	71,332
„ Cash in hand	98

Tls. 1,580,057

PROFIT AND LOSS ACCOUNT.

For year ended October 31, 1907.

	Tls.
To Rates and taxes	2,561
„ Fire insurance	18,126
„ Interest	31,896
„ Directors' fees	3,750
„ Auditor's fees	250
„ Repairs and renewals	14,332
„ Balance	46,307

Tls. 116,224

	Tls.
By Balance brought forward	64,986
„ Balance of Working Account	51,114
„ Transfer fees	124

Tls. 116,224

SUPREME COURT.

Tuesday, December 24th.

IN SUMMARY JURISDICTION.

BEFORE MR. A. G. WISE (PUISNE JUDGE).

A DISPUTED DOCUMENT.

The action in which Tseung Ut otherwise
Tseung Ut-wo, sought to recover \$625 from
Tseung Fong-shau on a promissory note, again
came on for hearing. Mr. M. W. Slade, in-
structed by Mr. F. X. d'Almada e Castro,
appeared for the plaintiff, and Mr. E. J. Grist
(of Messrs. Wilkinson and Grist) for the
defendant.

His Lordship—I may say, as far as the
preliminary part goes, that I have seen the
document since, and subject to anything Mr.
Grist has got to say, I am inclined to think
it is not a promissory note.

Mr. Slade thought it would be convenient
for him to open the facts. His case was that
the plaintiff and defendant went shares in a
share in the Sam Kee contractors' firm. The
share in the firm was in the name of the
defendant, but portion of the money which was
paid for it was subscribed by the plaintiff. The
firm apparently was extremely successful. They
took up a contract out of which they did very
well; in fact, on the subscribed capital of \$9,000
they made a profit of \$51,000. That was on
their main contract, but it appeared they had
undertaken other works besides on one of
which they made a profit of some \$12,000 odd.
When the firm had completed its contracts
the profits were distributed among the
partners. The defendant, whose name was on
the books of the firm as a partner, received
the money, five-twelfths of which he had to
pay over to the plaintiff. When the parties met
the defendant said the amount of the profit
made by the firm was \$52,000, part of which he
paid over, at the same time handing the
plaintiff a balance sheet book containing entries
showing the division of profits. Plaintiff on
examining this found two pages stuck to-
gether, and on opening them he found
another account showing a further profit on
another transaction of something over \$10,000.
Thereupon he had words with the defendant,
and asked him why he had hidden this away.
The result of the discussion was that the defen-
dant then and there paid over the plaintiff's
share of the second contract and the plaintiff
gave him two receipts. In the discussion the
defendant also let out that there was more
to come besides, because as well as taking
these contracts out of which they had
made a profit, they also invested money
in landed property in Canton. When asked
about this the defendant said that a certain
portion of the property had been sold, and on
being pressed by plaintiff for his share, he
said he could not pay up, but, if given time,
he would deposit it in a certain shop. After
this he promised to show plaintiff the ledger
of the firm which contained details of all trans-
actions, but two days later he left for Canton
without having produced the book. When he
returned to Hongkong the plaintiff met him
in a shop in Victoria Street and pressed for
payment. Defendant did not attempt to deny
owing the money, but asked for time, and
signed a document acknowledging his indebted-
ness.

Mr. Grist submitted that on his friend's
opening, and on the translation of the document
before the Court, it was quite obvious that the
action could not be maintained in its present
form. The document recited that this was a
partnership business, and went on to say that
the plaintiff had a share in the defendant's share
in the Sam Kee firm. One partner could not sue
the other partners of a firm for the return
of his capital in any business without he
alleged fraud. That was the only ground on
which an action could be maintained by one
partner against another for a refund or
return of the capital invested. The form of
action should be an action brought for accounts.
His client disputed ever having signed or given
the document in Court—it was a forgery.
Apart from that, however, it simply meant that
the plaintiff had, and admitted that he had, a
\$625 share in the defendant's share in a certain

business, and that this business was about to be
wound up. There could not be a multiplicity of
suits in respect of the same matter in any
English Court. Supposing the facts stated by
Mr. Slade to be correct, after this document
had been given, the partnership might have
sustained a loss, and then this man's share would
not be worth as much. The document was one
which admitted that the plaintiff had a
share in the partnership, and he could sue for
partnership accounts only. The defendant
could not be liable to two actions in the same
matter.

Mr. Slade—If my friend had listened to me
attentively he would have appreciated the fact
that we are not suing for the return of capital.

His Lordship—The document talks about
the share capital.

Mr. Slade—There are several mistakes in the
translation of the document. It must be read
with the facts. Therefore I am not suing for
the return of the capital, but for money had
and received.

His Lordship—That is not endorsed on the
writ.

Mr. Slade—The endorsement on the writ is
the same as the endorsement on this document.
If your Lordship will allow the matter to stand
over I would ask for leave to amend by claiming
for money had and received.

His Lordship—You are bound by that
document at present.

Mr. Slade—And we are perfectly prepared to
stand by it, but it would make it perfectly clear
if we claimed for money had and received.

His Lordship allowed the writ to be amended,
and after hearing the evidence, gave judgment
and costs for defendant.

CANTON.

(FROM OUR CORRESPONDENT.)

23rd December.

GAMBLING AND PIRACY.

Both the Provincial and Central Govern-
ments are responsible for the prevalence of
brigandage and piracy in the Two Kwang
Provinces, the main cause of which, I think, is
gambling. Millions of hard earned cash find
their way into the monopolists' and officials'
pockets. Gambling fosters laziness and offers
to the idle people means to live for a certain
time until, when luck turns and their
purses are empty, they become pirates and
robbers. The officials and the general
public are aware that annually about
\$200,000,000 pass through the different gam-
bling houses, and about 40 per cent of that
amount, I understand, is plunder or booty from
piracies or robberies, so no wonder the two
provinces are always in turmoil. Hitherto
gambling has always been permitted to be
carried on in the Kwangtung and Kwangsi
Provinces clandestinely, and with the connivance
of the corrupt civil and military authorities on
a moderate scale. None of the former Viceroy
had the audacity, or were powerful enough, to
turn it into a monopoly until the appointment of
the late Prime Minister, Li Hung-Chang, as
Viceroy of the Two Kwang shortly before the
Boxer Trouble. He, in order to benefit his
private purse and also to court favour with the
Empress Dowager, granted those gambling
privileges from which enormous sums were
forwarded to Peking annually. Thus the
veteran official sowed the seeds of evil and
allowed the future officials to make enormous
squeezes, as on the appointment of a new
Viceroy nearly all the gambling monopolies
change hands, thus affording an opportunity
for the Viceroy and every member of the new
staff to make huge squeezes from the new
monopolists. After having filled their pockets,
a majority of the high officials generally
plead inability of some sort and beg the Throne
to permit them to resign. The resources of the
two provinces would have been drained out by
this time, I suppose, had it not been for vast
numbers of people in the Kwangtung Province
who have emigrated to foreign countries and
are annually remitting millions of dollars to the
Province. Li Hung-Chang possibly never
thought that his successors, not being prime

Ministers, would be able to continue to maintain gambling. So long as public gambling is permitted, so long, I say, will piracy flourish. The gambling revenue amounts to over \$10,000,000 annually, most of which is sent to Peking. It is consequently at that end that pressure must be brought to bear to stop the principal cause of crime by insisting that gambling be prohibited by Imperial Decree. No Viceroy would then dare to revive the monopoly.

EVOLUTION OF HONGKONG.

[Written for the Hongkong Daily Press.]

(Continued from last week.)

XIII.

The trade of the continental nations at the time was comparatively small; Germany as a Power did not yet exist, and most of the consuls for the continental Powers were themselves merchants, often interested in avoiding payment of duties themselves; and the British merchant found himself occasionally taken at a disadvantage by the stringency with which his Consul, so far as lay in his power, kept his nationals under restraint. This system could not go on for ever, but no one foresaw the remedy. In 1853 Shanghai was captured by a party of rebels, more or less in sympathy with the Taipings, then ravaging the empire, and the officials connected with the Custom House one and all disappeared; the rebels had neither interest nor desire to stop the regular trade, while the native merchants distrustful of the future were more than ever anxious to sell the goods in their possession. The foreign consuls refused to recognise the rights of the rebels to collect the Imperial dues, so that there was no one to clear the ships. Under the circumstances Mr. a towards Sir Rutherford Alcock proposed to his French and American colleagues that the Consuls should step in, and each for his own nationals collect the duties on behalf of the Chinese non-existent government, and clear the ships. The duties, now for the first time collected in full and kept proper account of, were not paid in cash, but by means of promissory notes to be met when the governments concerned approved of the temporary step: as the governments did not hold that a non-existent government was entitled to any dues, and there were difficulties in disentangling the accounts of the various nationalities, the promissory notes were eventually returned cancelled.

The rebel hold of the city was loosening, and the titular taotai found his way back in February 1854, and at once began collecting duties on behalf of his government. The new taotai had formerly been a hong merchant at Canton, and commenced his collection in the manner he had been accustomed to do there, by making private arrangements all round. Mr. Alcock remonstrated, but to little account, so in conjunction with his two colleagues of France and the United States it was determined to compel the taotai to place the collection entirely under foreign control. Alcock proposed a Foreign Inspector with two foreign subordinates, and named a Frenchman, curiously named Smith, as first Inspector. The new taotai on the scheme being presented to him, proposed instead that three Inspectors of equal rank should be appointed, each of the three consuls naming one, and this was accepted, the three commissioners named being: Wade, British; Carr, American; and Smith, French. In the course of a few months it was found more practical to consolidate the functions, and Mr. H. N. Lay, at the time Interpreter to the British Consulate was selected as Inspector General. So without flourish of trumpets, and almost in the ordinary sequence of events, came into the world the vast concentrated department of the Inspectorate General of Chinese Maritime Customs, which more than anything else had acted for good or evil to prolong the life of the Chinese Empire which was at the time of Lay's appointment actually,

it may fairly be said, in articulis mortis. The appointment was confirmed by the Chinese Government, and Lay left the British service, holding his new office directly under the Chinese Crown, and only resigning it in 1863 under circumstances connected with the refusal of that Government to ratify his arrangements with regard to the Osburn Flotilla, when his lieutenant, at the time Acting Inspector General, succeeded him, and continues to hold the office to the present day.

Meanwhile it is instructive to note that the former importance of Canton, the head quarters of external trade in China, to a considerable extent returned: there was more than one good reason for this. Owing to one blunder after another on the part of Sir Henry Pottinger after the conclusion of the Treaty of Nanking, and of his successor in the Superintendency of Trade, Sir J. Davis, Chinese trading vessels were officially prevented from going to Hongkong, except under impossible conditions,—so impossible that for years not a single trading vessel attempted to avail of them,—while the Hongkong Harbour authorities had order to prevent junks unless they should produce the official authorisation entering the harbour. Hongkong itself, a rugged island peak, scarce thirty miles in area, afforded no productions of any sort to found a basis for trade, and deprived thus of the one qualification that in the opinion of a large and important section of the Free-Trade party had rendered its acquisition desirable, it seemed in the eyes of many a useless burden on the Exchequer.

Another reason, in part a consequence of the former, was the natural conservatism of the Chinese which induced them to still follow the old trade routes from the interior, the more especially as the Canton authorities were astute enough to keep them open, so that the merchant bringing down tea or silk knew exactly how much he had to pay, and was able to contract beforehand, while on the less explored routes he was at the mercy of every obstructive official. The vastly larger trade centring in Canton at this period caused it to become the arbiter of the Foreign exchanges so that merchants were able to arrange their currency, always fluctuating owing to the want of any exactly defined medium; concurrently with their sales or purchases.

Though outside the Factories, the liberties of the residents were much restricted, being practically confined to roving on the river, with occasional short walks about the island of Houm or the Fat gardens, on the whole the local authorities had learnt, unless at intervals when some particularly truculent individual attempted to stir up the feelings of the mob, to let the residents alone, so that social life, although more or less of the prison type, became not only bearable, but even to a certain extent enjoyable:—so much so in fact that for long the older residents used to speak of their time as the most enjoyable period of their lives. There was no obstruction placed in the way of access to Hongkong or Macao, and all the large establishments had their fast and often luxuriously fitted boats in which they could tear themselves away from their confinement to enjoy cooler air and more agreeable surroundings of the other place. Practically, till the opening of the Yangtze River, Canton continued the head quarters of the foreign trade of China.

But what of Hongkong?—It was the official seat of the Superintendency of Trade; it was the terminus of the mail steamers which once a month brought letters and news from Europe; it was the head quarters of a small military garrison, as well as of the Fleet kept there to afford protection to British trade in the Far East. Incidentally it was a British Colony; a sort of left-hand child of the Colonial Office scarcely recognised, as having been born out of due course; and as such requiring according to custom a Governor, it was handed over to the tender mercies of the Superintendent of British Trade as its foster parent. By the Cobdenite section of the Cabinet it had been earmarked as a dumping ground, whereon our merchants' like those of old described by Pliny were to place their cargoes, when if the Senate approved of the *renatia*, they might remove them at their leisure. Sir Henry Pottinger had wrecked this part of the programme, through the wiles of

Kiying; but the alternative of making Hongkong a great trading port had not yet occurred to the most sanguine.

Still from its mail facilities, from its already being in communication with Shanghai, as well as from its being the central spot whence the Superintendent despatched his orders to the Consuls at the various ports, the great houses kept here from an early period their head quarters, and the instant the mail steamer arrived, orders were sent by fast sailing boats or schooners, or in later days by private express steamers, to their several agents at the open ports. Various extrinsic circumstances brought accessions to the colony. It became to a small extent a place of refuge from the swarms of the Taiping rebels; it was immensely aided by the gold discoveries in California, and rendered material aid in men and materials to the building of San Francisco, whose earliest buildings were modelled on colonial patterns. For a short time it was also intimately associated with the infamous Coolie Trade, from which, however with the approbation of the British residents it almost immediately withdrew.

With all these windfalls, on the arrival of Sir George Bonham in 1848 the Colony, which had drawn heavily on the British Exchequer, was practically bankrupt.

(To be continued.)

KULANGSU (AMOY) MUNICIPAL COUNCIL.

Minutes of a meeting of the Council held at the Board Room, on the 3rd December 1907.

Present:—Messrs. W. H. Wallace (Chairman), A. E. Gardiner, Huang Ts'angohew, W. Kruse, S. Okuyama, W. Wilson, the Health Officer and the Secretary.

1. The minutes of the last meeting are read and confirmed.

2. An application is read from the Japanese Consul requesting permission to use certain ground near the Lower West Road, below the German Consul's residence and in the direction of the Japanese Cemetery, by the officers of H.I.J.M.'s ship "Naniwa", for small arm practice on a day to be notified by the Japanese Consul. The Council decide to grant permission, providing the Senior Officer of the party firing takes every precaution to ensure the safety of the public (persons using the roads and paths, working in the fields, quarries, on board boats near the beach &c) by putting out sufficient look out men to prevent persons approaching within the danger zone.

3. On the motion of Mr. Wallace, it is decided to ask the China Light and Power Co. Ltd. to forward, with as little delay as possible, the conditions of their proposals (in detail) for supplying the Settlement with light and power.

4. A letter from the Superintendent of Police to the German Consul, together with his reply is read concerning a collision between a Licensed Sampan (No 92) and a steam pinnace belonging to S. M. S. "Arcona," in the harbour on the night of the 29th Nov., by which an Austrian sailor, belonging to the "Kaiser Franz Josef I.," and two Chinese were drowned. The German Consul in his reply states that from the report of the S.M.S. "Arcona" it is evident that the sampan is alone to blame for the accident, as the sampan, without having a light, tried to closely cross the bow of the German pinnace which was carrying both red and white lights, whereas she should have passed behind the pinnace. Moreover the sampan was overloaded and careful handling was the more necessary.

5. The Superintendent of Police reports the following cases have been heard in the Mixed Court since the last meeting:—

SUMMONSES.

Debt 1, Encroaching on property 1, Contempt of Court 1, Breach of Municipal Regulations 1.

SUMMARY ARRESTS.

Theft 6, Assault 2, Committing a nuisance 2, Housebreaking 1, Contempt of Court 1.

(Signed) W. H. WALLACE,
Chairman.

By order.

C. BRANLEY MITCHELL,
Secretary.

COMMERCIAL.

RICE.

The import of foreign rice into China which was exceptionally heavy in 1906, showing as it did an increase of nearly 25 per cent., will probably be shown to be even larger in 1907, when complete returns are available. Saigon alone has shipped to Hongkong and China this year just on nine million piculs, which is more than Saigon's total export to all countries in 1906. The shipments to Hongkong totalled 7,079,100 piculs; to Swatow, 580,400; to Tientsin, 308,200; to Foochow, 67,700; to Shanghai, 780,000; and to Ningpo, 97,000. The Philippines imported over 1,500,000 piculs from Saigon, and Japan bought nearly the same quantity. Saigon's export of rice for the year has been 16,942,000 piculs as compared with 8,791,100 in 1906. The recent fall in exchange has enabled lower prices to be quoted in the Saigon Market which augurs well for the continuance of brisk conditions. The latest reports show charters settled at Saigon for 143,000 piculs to Hongkong and 67,000 to Singapore. The German steamers *Anghin* and *Wongkoi* secured charters for Hongkong at 12½ cents and 12 cents per picul respectively for 33,000 piculs each; the British steamer *Telemachus* settled for 38,000 piculs at 10 cents and the British steamer *Derwent* 35,000 at 8 cents. Latest quotations stand at 8 to 9 cents for Hongkong; 19 to 20 cents for the Philippines; and 20 to 21 for Japan.

Quotations stand according to Messrs Wm. G. Hale's latest circular as follows:—

No. 2 White sifted (<i>trié</i>) steam milled round	*
No. 2 White unsifted (<i>ordinaire</i>) steam milled round	\$3.85
5 % Cargo steam milled round ...	\$3.45
10 % Cargo steam milled round ...	\$3.35
20 % Cargo steam milled round ...	\$3.28
* Prices according to terms and conditions.	

YARN.

Mr. P. Eduljee, in his Report, dated Hongkong 27th December, 1907, states: At the close of the season a cursory glance at the working of the trade during the past twelve months cannot be uninteresting or out of place. Imports to Hongkong amount to 146,395 bales as against 269,869 bales last year, while sales aggregate 137,608 bales as against 81,818 in 1906, showing a falling off of nearly 55 per cent. in receipts and an increase of over 50 per cent. in consumption. Considering the wretched condition of the country and local markets during the latter half of the previous year, the entire cessation of business for three months (from August to November), and the grievous collapse of 11 out of 15 yarn dealing Hongks, the increase in sales should create little or no surprise. In briefly reviewing 1907 it may be pronounced to have been one of the worst import years the Colony has experienced. Receipts have very materially fallen off, and with the exception of a few spasmodic efforts at briskness and activity in the market, prices not only never responded to the enhanced cost in Bombay but on the contrary more or less steadily declined and would probably have ruled lower but for a certain steadiness on the part of some large importers consequent on reduced exports from India and frequent assistance from Shanghai. Demand, however, seldom gave importers much opportunity for regulating selling rates with costs, for the dealers mostly confined their small and dragging purchases to actual requirements under special country orders, and no concession on the part of importers to effect sales would have induced free buying. The causes for so depressed an import year may be assigned to the tightness of money and loss of credit amongst natives circles consequent on last year's grievous heavy failures, to the disorganisation of trade generally throughout the Southern Provinces owing to natural and political causes, and lastly to the disastrous decline in change. In the beginning of the year best No. 10s yarn was quoted at \$81/83 and now stands at \$91/83, while exchange on India was ruling in the neighbourhood of Rs. 167 and stands to-day at or about Rs. 135. Our native dealers have not done so badly as the unfortunate importers. Throughout the year they (the dealers) have strictly adhered to the execution of country orders and without any outlet for their purchases have entirely refrained from entering into large forward contracts. Previous experience would seem to have taught both buyers and sellers a valuable lesson, and they will both profit considerably by the exercise of a little caution which was entirely wanting in the boom of the latter

end of 1905 and of the first half of 1906 the effects of which are still apparent. The past twelve months have been a consecutive second red letter period to the Cotton Spinning Industry of India. Orders have been more than sufficient to keep every Mill working by electric light and 12 to 18 hour's work a day has been the rule and not the exception with some of them. Towards the middle of the year fears were entertained of a serious relapse consequent on the prevalent depression in the trade throughout the world, when the boom in American Cotton came in very opportunely to their relief and orders from Manchester and the Continent poured in and it was a case of sending coals to Newcastle. In this connection it may be mentioned that a considerable quantity of superior grades of No. 10s and 20s which were lying neglected in our local market had to be reshipped to Bombay where they were purchased by European buyers at a large advance on our ruling prices. On June 30th, 1907, there were in all India 224 Mills working and in course of erection, running 5,333,275 spindles and 58,436 looms, employing on an average 205,696 hands daily. Of these 224 Mills Bombay alone claims 85, running 2,613,483 spindles and 31,892 looms, and employing on an average about 100,000 hands daily. A little better enquiry has been experienced in this market, but only small sales are reported, as dealers have cast their offers far too low to lead to any general business. A further improvement in rates of \$1 to \$2 in No. 10s and of \$1 to \$3 in Nos. 12s and 20s may be noted, but this has been more than counterbalanced by the heavy depreciation in exchange which shows a decline of over 10 points on last mail. Demand has continued to run chiefly on No. 20s, which, together with No. 12s, form more than three-fourths of the total settlements, No. 10s taking third place in point of quantity. The market closes quiet, but steady. Local Manufacture:—No business is reported. Japanese Yarn:—Sales of 35 bales No. 14s at \$122 and of 100 bales No. 20s at \$128½ are reported. Raw Cotton:—A perfectly blank fortnight has been experienced in Indian descriptions; the high prices ruling on the other side strengthening holders and checking sales. About 250 bales Chinese Cotton are reported sold at \$26. Stocks, 1,000 bales Indian and 670 bales China. Quotations are \$20 to 24 Indian and \$22 to 27 China. Exchange on India has continued to decline and shows a loss of 10 points on last Mail, closing unsteady to-day at Rs. 135½ for T/T and Rs. 136 for Post. On Shanghai 7½ and on Japan 84.

PIECE GOODS.

Messrs. Noel, Murray & Co.'s Report on the Shanghai Piece Goods Trade dated Shanghai, 19th December, 1907, states:—The import trade has been completely dislocated by the further serious fall in exchange, amounting to 21 per cent. on the rate ruling three months ago. Such a sudden and complete drop is quite unprecedented even in this erratic market, and must have most disastrous effects on both native and foreign business houses here. Not unnaturally prices for everything are nominally higher, and some instances buyers have been found who could actually pay the enhanced rates asked, but for the most part transactions have been chiefly by monied local men who have bought to hold for four or five months at least. So far this is confined to American makes and has had a most encouraging effect on other holders. All goods seem to pass through many hands before they reach the consumer, so it is really problematical what the actual cost is finally, but at all events from the way in which buyers can apparently afford to pay up, when called upon, the margin between the original sellers and final buyers up there must be competition, and surely consumers in the country could scarcely have a pretence as yet the tremendous enhancement in the cost that has taken place, therefore it would seem the middle men are contenting themselves with smaller profits. Be that as it may, however, prices are certainly booming judging by the auctions. Several representatives of the buyers in Tientsin are at this Port, and from the enquiries they are making it looks as though their orders for supplies will come through this market once more. The credit system up there has received its death blow. Goods to the tune of upwards of Tls. 13,000,000 have gone into the country and the necessary means are wanting with which to meet the drafts in the Banks! Comment is useless, except that this culpable recklessness accounts to a very great extent for the stagnation in this market for the past year or two. The Newchwang market is altogether upset by

the demoralized state of the currency question. The yarn market is firm but quiet, holders sticking out for higher and more adequate prices which buyers are slow in responding to. Native Cotton is strong, and advancing. The "without reserve" Auctions continue to supply the market liberally and it is gratifying to see how prices are keeping up under the strenuous circumstances, and also satisfactory to find clearances fairly prompt. All classes, Grey, Bleached and Dyed Cotton goods have again shown very strong prices at Auction. Woollens.—These goods are only responding to a small extent to the decline in Exchange, but show firmer prices all round. Cotton Yarn.—Indian.—The continued declining rates of exchange is the only cause for the falling off in transactions during the interval, the further shrinkage of the gold value of the rupee being so serious holders are not disposed to sell except at more adequate prices. The much more favourable statistical position and the prospect of moderate supplies for the next few months has opened out possibilities which Importers are inclined to make the most of, and so business is curtailed pending an advance to much more like the intrinsic value of the yarns. What business has been done shows what the firmness of holders has already accomplished. This furthers the reflection that the middle men most always seem to have a good margin up their sleeves, as it is certainly improbable that the consumers in the country should be able almost at a moments notice to increase their limits 5 to 10 per cent. and long before they have time to appreciate, as in the present case, the enormous difference which the sudden depreciation in the price of silver has made in the value of imported commodities. The small business reported has continued on the same lines as during the last two or three weeks and only aggregates a total of 805 bales.

From Messrs. Ilbert & Co.'s Weekly Market Report, dated Shanghai, December 19th, 1907:—Our market continues to show signs of returning activity and further advances are forthcoming for all goods which are not hopelessly overdone. Chinese have picked up some remarkable bargains in American goods, and are already congratulating themselves on the advances established; they are beginning to feel much happier about the final outcome of their old stocks, although many of them with sterling commitments open for the New Year are not very cheerful over the continued fall in Exchange. English Goods and Yarns are also much firmer and merchants up country are beginning to think that they have waited too long before laying down Spring supplies. The weakest spots in the market are in the dyed and printed goods branches of the trade; there is little doubt that far too many facilities have been given by importers to dealers whose resources do not warrant their entering upon large transactions, and much good will be done to the trade if the old-fashioned custom of obtaining reasonable bargain money were revived; competition has of late been so keen that many importers have allowed this practice to drop, and must to-day be regretting that they have been so easy to deal with. When loss of interest and charges are finally adjusted on many of the goods now held over, the experience gained should make importers less anxious to enter into large operations with many of the small dealers. One of the most uncertain factors in the immediate future is the position of affairs at Tientsin; the very great increase in direct shipments to that market has been partially brought about by traveling representatives of Manchester houses, who, after pushing the sale of their goods on this market, went North and in many cases succeeded in placing large duplicate orders there; it is obvious that until it is definitely known what portion of the Northern trade is to be transferred to Tientsin, there will always be the danger of this duplication of supplies. This year will probably be one which will furnish some data upon which to base calculations, if the Chinese outstandings in the North, which are reported to be on a considerable scale, are satisfactorily liquidated, importers here may probably find that the credit system will become firmly established to Tientsin, and will develop upon still greater lines; if, however, liquidation is not satisfactory, the importers who have transferred their business from here to the North may doubt the expediency of the change, in which case the bulk of the trade may return to this port. Silver has again been most perplexing; the few bi-metallists still remaining will point to the means for hoarding gold in the United States, and the sudden panic in the silver market in London, as an illustration of what could not possibly have happened under the former regime.

SHARE REPORTS.

HONGKONG, 27th December, 1907.—A fair amount of business was transacted during the three or four working days of the week under review, but the intervening Christmas holidays materially interfered with the market, and we have nothing of any importance to report. Rates with few exceptions still incline to weakness, and with the approaching New Year holidays another dislocated market may be anticipated. Exchange on London T/T shows a slight further decline and closes at 1/9½. On Shanghai the T/T rate closes at 74½.

BANKS.—Hongkong and Shanghai, continue to rule steady to strong, and shares have changed hands during the week at \$720, a demand at \$715 failing to be satisfied. At time of closing a farther small demand for old shares meet with no response and a higher rate would probably be paid. London quotes 179.10s. for old and £77.10s. for new shares. Nationals still remain unchanged and without business.

MARINE INSURANCES.—Unions continue strong and in demand with very few shares coming on the market, and after small sales at the enhanced rate of \$810 and \$815, the market closes with sales and buyers at \$825. Yangtze's are reported at 140 old, and 130 new issue. China Traders have improved to 91 with buyers and no sellers. Cantons remain unchanged and without business.

FIRE INSURANCES.—Hongkongs have been out of the market with sales at \$330 and no sales to report. Chinas continue strong, and sales have been made at \$95, the market closing steady at that rate with buyers.

SHIPPING.—Hongkong, Canton and Macao, with the settlement shares clouding the horizon, as reported in our last, have ruled weak and forced sales have been made at \$28. Further shares at this abnormally depressed rate, however, are unobtainable, although several buyers are to the fore. Star Ferries have changed hands at the improved rate of 12 for new shares, and the market closes steady at the rate, and at 22 for the old shares. Other stocks under this heading show no changes and call for no attention.

REFINERIES.—Small sales of China Sugars have taken place at 100, the market closing quiet at that rate. Luzons unchanged and without business.

MINING.—Raubs have ruled firmer, and sales are reported at \$8.95; we quote 8.75 nominal at time of closing. Charbonnages continue in request at \$500 without bringing any shares on the market.

DOCKS, WHARVES AND GODOWNS.—Hongkong and Whampoa Docks continue weak and some small forced sales have been made at 95, the market closing quiet at 96. Kowloon Wharves, owing chiefly to the new issue to be paid for on the 31st inst., have ruled very weak, and at one time during the week 556 sellers failed to induce buyers to come forward. Later, however, the stock suddenly firmed up, and sales were effected at \$58. We have reason to believe however that shares were negotiated under the latter rate, and the market closes with sellers at \$58. Shanghai Docks, after ruling steady at 71 in the early part of the week, have improved to 72 in Shanghai with buyers. Hongkew Wharves after ruling firm in Shanghai in the early part of the week, close at the Northern Port at 205 nominal.

LANDS, HOTELS & BUILDINGS.—Hongkong Lands continue neglected, and without any sales to report; we quote 95 at time of closing. Hotels remain in demand at 100, but shares seem to be still unobtainable at that rate. Humphreys have changed hands at 10½ and Shanghai Lands at 101. West Points are still enquired for in a small way at 48, but holders remain firm, and none are obtainable except at an advance.

COTTON MILLS.—The Shanghai Mills are quoted the same as last week, except Internationals, which have improved 1 point to 51. Hongkongs remain unchanged and without business.

MISCELLANEOUS.—China Borneos have found buyers at 10½, China Providents at 9½. Union Water Boats at 10½, South China Ports at 20, Watkins at 2½, and Watsons at 10, the last closing in demand at this rate. Green Islands have changed hands at 11½ and later at 11½ closing with buyers at the former and sellers at the latter rate. United Asbestos,

Bells Asbestos, and Powells are in demand at quotation, without bringing any shares on the market. Langkats have improved in the North to 362½, Chinese Engineerings are enquired for 15½ without finding sellers. We have nothing further to report under this heading.

Quotations are as follows:—

COMPANY.	PAID UP.	QUOTATIONS.
Alhambra	Ps. 200	Nominal
Banks—		
Hongkong & S'hai...	{ \$125 }	\$720, buyers \$710, buyers Ln. 279.10 Ln. 277.10
National B. of China	26	\$51
Bell's Asbestos E. A...	12s. 6d.	\$7, buyers
China-Borneo Co.	\$12	\$10½, sales
China Light & P. Co.	{ \$10 }	\$6, sellers
China Provident	{ \$1 }	\$9½, sales
Cotton Mills—		
Ewo	Tls. 50	Tls. 53
Hongkong	\$10	\$10, sellers
International	Tls. 75	Tls. 51
Laou Kung Mow	Tls. 100	Tls. 85, sellers
Soychee	Tls. 500	Tls. 270
Dairy Farm	\$6	\$16.75, sellers
Docks & Wharves—		
H. & K. Wharf & G.	\$50	\$56, buyers
H. & W. Dock	\$50	\$96, sellers
New Amoy Dock	\$6½	\$10, sellers
Shanghai Dock and Eng. Co., Ltd.	Tls. 100	Tls. 72
S'hai & H. Wharf	Tls. 100	Tls. 205
Fenwick & Co., Geo.	\$25	\$14
G. Island Cement	\$10	\$11½, buyers
Hongkong & C. Gas	\$10	\$175, buyers
Hongkong Electric	\$10	\$15
Hongkong Hotel Co.	\$50	\$100, buyers
Hongkong Ice Co.	\$25	\$240
Hongkong Rope Co.	\$10	\$25
Insurances—		
Canton	\$50	\$242½
China Fire	\$20	\$95, buyers
China Traders	\$25	\$91, buyers
Hongkong Fire	\$50	\$330, sellers
North China	25	Tls. 87, sellers
Union	\$100	\$825, buyers
Yangtze	\$60	{ \$140, buyers { \$130
Land and Buildings—		
H'kong Land Invest.	\$100	\$95, sellers
Humphrey's Estate	\$10	\$10½, sales
Kowloon Land & B.	\$30	\$35, sellers
Shanghai Land	Tls. 50	Tls. 101, sales
West Point Building	\$50	\$48, buyers
Mining—		
Charbonnages	Pes. 250	\$500, buyers
Raubs	18/10	\$8½
Peak Tramways	\$10	\$13
Philippine Co.	\$1	\$2
	\$10	\$5
Refineries—		
China Sugar	\$100	\$100, sales
Luzon Sugar	\$100	\$10, buyers
Steamship Companies		
China and Manila	\$25	\$15
Douglas Steamship	\$50	\$38
H. Canton & M.	\$15	\$28, buyers
Indo-China S. N. Co.	25	{ \$40, sellers { \$23, sellers
Shell Transport Co.	21	\$42½, sellers
Star Ferry	\$10	\$22, buyers
Do. New	\$5	\$12, sales
South China M. Post.	\$25	\$20, sales & sel.
Steam Laundry Co.	\$5	\$6, sellers
Stores & Dispensaries.		
Campbell, M. & Co.	\$10	\$14, sellers
Powell & Co., Wm.	\$10	\$35, buyers
Watkins	\$10	\$2½, sales & buy.
Watson & Co., A. S.	\$10	\$10, buyers
United Asbestos	\$4	\$10, buyers
Do. Founders	\$10	\$150, buyers
Union Waterboat Co.	\$10	\$10½, buyers

VERNON & SMYTH, Brokers.

Messrs. J. P. Bisset & Co.'s Share Report for the week ending 19th December, 1907, states:—Matters are well adjusted now for the December Settlement taking place to-morrow, and business this week has been mostly of a give-and-take character. There is no great change in any stock to report. Exchange has once more swiftly declined and the T. T. rate on London to-day is 2/5. Banks.—Hongkong and Shanghai Banks. The decline in exchange has enhanced the price of this

stock and shares have changed hands at \$730 for the old and \$725 for the new. At closing, however, the market is strong at \$735 and \$730 respectively. Insurance.—Yangtze Insurance. There are buyers of the old shares at \$148, and of the new sales at \$134 have taken place, with further buyers. Shipping.—Indo-China S. N. Co. Sales are reported at Tls. 31 for the pref. and Tls. 21 for the deferred shares. Shanghai Tug & Lighter Co. The ordinary shares have declined to Tls. 43 and the pref. still have sellers at Tls. 50. Docks and Wharves.—Shanghai Dock and Engineering Co., Ltd. Some business for the Dec. Settlement has been put through at Tls. 71½, and Tls. 71½, and for March at Tls. 72½. Shanghai and Hongkew Wharf shares. The market opened with sales at Tls. 205 for December, to be followed with transactions at Tls. 206½, Tls. 207 and Tls. 207½. The March rate remained at Tls. 210 to Tls. 211. In Sugars, Mining and Lands.—There is no business reported. Industrial.—Gwos. There has been a good demand for these. Rates opening at Tls. 51, closing with buyers at Tls. 53. For March a transaction was done yesterday at Tls. 56. International Cottons. Shares have been placed at Tls. 51. Shanghai Gas Co. There are buyers at Tls. 107. Maatschappij, etc., in Langkats. Shares have fallen back during the week. On the 12th sales were reported at Tls. 370 and Tls. 372½ for December, and Tls. 382½ for March cum div. The next rate quoted was on the 16th at Tls. 367½ ex. div. March, the cash rate falling gradually to Tls. 350 ex. div. at which rate market closed. Shanghai Sumatra Tobacco Shares have improved from Tls. 110 to Tls. 112½. Shanghai Waterworks. A sale is reported of the new shares at Tls. 380. Miscellaneous.—Astor House Hotel shares have changed at \$20. Shanghai Mutual Telephones remain at Tls. 54. Loans and Debentures.—A sale of Municipal six per cent. Debs. is reported at Tls. 98½.

EXCHANGE.

FRIDAY, December 27th.

ON LONDON.—Telegraphic Transfer	1/9½
Bank Bills, on demand	1/9½
Bank Bills, at 30 days' sight	1/9½
Bank Bills at 4 months' sight	1/10½
Credits, at 4 months' sight	1/10½
Documentary Bills, 4 months' sight	1/10½
ON PARIS.—	
Bank Bills, on demand	227½
Credits 4 months' sight	234
ON GERMANY.—	
On demand	185½
ON NEW YORK.—	
Bank Bills, on demand	43½
Credits, 60 days' sight	45½
ON BOMBAY.—	
Telegraphic Transfer	135½
Bank, on demand	136
ON CALCUTTA.—Telegraphic Transfer	135½
Bank on demand	136
ON SHANGHAI.—Bank, at sight	74½
Private, 30 days' sight	75½
ON YOKOHAMA.—On demand	88½
ON MANILA.—On demand	88½
ON SINGAPORE.—On demand	28 p.c. pm.
ON BATAVIA.—On demand	109
ON HAIPHONG.—On demand	5½ p.c. pm.
ON SAIGON.—On demand	5 p.c. pm.
ON BANGKOK.—On demand	81½
SOVEREIGNS, Bank's Buying Rate	\$10.90
GOLD LEAF, 100 fine, per tael	\$57.80
BAR SILVER, per oz	24½

SUBSIDIARY COINS.

		per cent
Chinese	20 cents pieces	\$1.65 discount,
"	10 " "	5.40 "
Hongkong	20 " "	4.25 "
"	10 " "	5.16 "

FREIGHTS

From Messrs. Wheelock & Co.'s Report, dated Shanghai, 19th December, 1907:—With the exception of some cargo still going forward to the continent of Europe on account of the further decline in silver there is little else offering in any direction and we can only attribute this to the tightness of the money markets in various parts of the globe. Coastwise.—Following on the general stagnation of trade the China coast is no exception to the rule and there is little or no enquiry from anywhere whilst tonnage is fairly plentiful.

SHIPPING.

ARRIVALS AND DEPARTURES SINCE LAST MAIL.

December - ARRIVALS.

19, Chihli, British str., from Haiphong.
 19, Glenfalloch, British str., from Singapore.
 19, Phranang, German str., from Bangkok.
 20, Albeng, German str., from Amoy.
 20, Amigo, German str., from Haiphong.
 20, Cheungshing, British str., from Tientsin.
 20, Chunsang, British str., from Karatsu.
 20, Derwent, British str., from Saigon.
 2, Lennox, British str., from Singapore.
 24, Machew, German str., from Bangkok.
 20, Meefoo, Chinese str., from Shanghai.
 20, Protun, Norwegian str., from Bangkok.
 20, Stettin, British str., from Singapore.
 20, Taming, British str., from Manila.
 20, Triumph, German str., from Haiphong.
 20, Yeforofu Maru, Jap. str., from Singapore.
 21, Cheangchow, British str., from Singapore.
 21, Fooshing, British str., from Wuhu.
 21, Lightning, British str., from Calcutta.
 21, Shaohsing, British str., from Shanghai.
 21, Tatsui Maru, Jap. str., from Takau.
 22, Childar, Norwegian str., from Bangkok.
 22, Dagny, Norwegian str., from Haiphong.
 22, Fukuoku Maru, Jap. str., from Anping.
 22, Ganges, British str., from Barry Dock.
 22, Haiching, British str., from Coast Ports.
 22, J. Diederichsen, Ger. str., from Pakhoi.
 22, Kueichow, British str., from Wuhu.
 22, Riejuu Maru, Jap. str., from Kobe.
 22, Tourane, French str., from Yokohama.
 22, Yesen Maru, Japanese str., from Moji.
 23, Alasia, German str., from Portland.
 23, Helene, German str., from Swatow.
 23, Hongkong, French str., from Haiphong.
 23, Kanagawa Maru, Jap. str., from Yama.
 23, Nikko Maru, Jap. str., from Australia.
 23, Siam, Danish str., from Singapore.
 23, Signal, German str., from Hoihow.
 23, Sunda, British str., from Antwerp.
 23, Sintau, German str., from Bangkok.
 23, Yuenang, British str., from Manila.
 24, Aldenham, British str., from Kobe.
 24, Devawongse, German str., from Bangkok.
 24, H'kong M., Jap. str., from San Francisco.
 24, Rupeh, British str., from Haiphong.
 24, Katherine Park, British str., from Callao.
 24, Marie, German str., from Salina Cruz.
 24, Nicomedia, German str., from Portland.
 24, Sachsen, German str., from Yokohama.
 24, Segovia, German str., from Shanghai.
 24, Sungkiang, British str., from Cebu.
 24, Vorwaerts, German str., from Macao.
 24, Yawata Maru, Jap. str., from Japan.
 24, Zafiro, British str., from Manila.
 25, Carnarvonshire, Br. str., from Singapore.
 25, Habsburg, German str., from Singapore.
 25, Haitan, British str., from Coast Ports.
 25, Hsin Kong, Chinese str., from Chefoo.
 25, Joslin Maru, Japanese str., from Tamsui.
 25, Kanchow, British str., from Chinkiang.
 25, Kiang Ping, Chi. str., from Chinkiang.
 25, Salazie, French str., from Marseilles.
 25, Shantung, British str., from Java.
 25, Yochow, British str., from Shanghai.
 26, Bellerophon, British str., from Manila.
 26, C. Ferd. Laesz, Ger. str., from Singapore.
 26, Hailan, French str., from Hoihow.
 26, Hangsang, British str., from Shanghai.
 26, Hongwan I, British str., from Penang.
 26, Khalif, British str., from New York.
 26, Swanley, British str., from Chinwantao.

December - DEPARTURES.

20, Chiyuen, Chinese str., for Shanghai.
 20, Choysang, British str., for Swatow.
 20, Haimun, British str., for Swatow.
 20, Helena, German str., for Swatow.
 20, Hu, French str., for Kwang Chow Wan.
 20, Loongsang, British str., for Manila.
 20, Shansi, British str., for Swatow.
 20, Telemachus, British str., for Saigon.
 20, Tjiliwong, Dutch str., for Batavia.
 21, Coquet, British str., for Bangkok.
 21, Gregory Apcar, Brit. str., for Singapore.
 21, Mathilde, German str., for Hoihow.
 21, Rubi, British str., for Manila.
 21, Sicilia, Govt. transport, for Singapore.
 21, Singan, British str., for Pakhoi.
 21, Taiwan, British str., for Saigon.
 21, Wongkoi, German str., for Bangkok.
 21, Yeforofu Maru, Jap. str., for Shanghai.
 22, Daijin Maru, Japanese str., for Swatow.
 22, Glenfalloch, British str., for Amoy.
 22, Lennox, British str., for Shanghai.

22, Lienshing, British str., for Shanghai.
 22, Merapi, Dutch str., for Amoy.
 23, Pakhoi, British str., for Shanghai.
 23, Volute, British str., for Singapore.
 24, Cheangchow, British str., for Amoy.
 24, Chihli, British str., for Hoihow.
 24, Haiching, British str., for Swatow.
 24, Hongkong Maru, Jap. str., for Manila.
 24, Iyo Maru, Japanese str., for Shanghai.
 24, Kwongsang, British str., for Ningpo.
 24, Mongolia, British str., for San Francisco.
 24, Nikko Maru, Jap. str., for Yokohama.
 24, Patani, German str., for Saigon.
 24, Siam, Danish str., for Shanghai.
 24, Sunda, British str., for Shanghai.
 24, Taishan, Chinese str., for Shanghai.
 24, Taming, British str., for Manila.
 24, Triumph, German str., for Haiphong.
 24, Tourane, French str., for Europe, &c.
 24, Victoria, Swedish str., for Saigon.
 24, Yunnan, British str., for Hongay.
 24, Yesen Maru, Jap. str., for Kuchinozu.
 25, Amigo, German str., for Hoihow.
 25, Fukuoku Maru, Jap. str., for Swatow.
 25, Helene, German str., for Tourane.
 25, Kanagawa Maru, Jap. str., for Singapore.
 25, Liangchow, British str., for Ningpo.
 25, Machew, German str., for Swatow.
 25, Paklat, British str., for Swatow.
 25, Riejuu Maru, Jap. str., for Singapore.
 25, Sachsen, German str., for Europe, &c.
 25, Salazie, French str., for Shanghai.
 25, Segovia, German str., for Singapore.
 25, Vorwaerts, German str., for Pakhoi.

PASSENGERS.

ARRIVED.

Per *Lightning*, from Calcutta, &c., Miss Merryless, Dr. Koch, and Mr. Williams.
 Per *Zafiro*, from Manila, Mr. and Mrs. Cory, Mr. and Miss Carr, Messrs. Andino, Beck, George, Lucka, Renick, Blanco, Enshan and Chandler.
 Per *Aldenham*, from Kobe, for Hongkong, Mrs. Stanley Smith; for Sydney, Mr. and Mrs. L. P. Blundell, Miss Cones, Rev. Father Fay, Messrs. Jas. Wilson, D. Fay and L. C. Blundell.
 Per *Yacuta Maru*, from Japan, for Hongkong, Mrs. F. B. Catron, Mrs. F. S. Sluyton; for Manila, Prof. and Mrs. O. Scheerer; for Melbourne, Mr. and Mrs. G. L. Laferme, and Miss N. Plant; for Brisbane, Mr. A. H. Antridge.
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DEPARTED.

Per *Tourane*, for Saigon, Mrs. E. S. Joseph, Mrs. G. Franceschati, and Mr. E. Hope; for Singapore, Mrs. W. R. Diethelm, Miss J. Nukobara, Messrs. McCarthy, Wm. Dickinson and Brooks; for Marseilles, Miss M. de Champeaux, Messrs. O. Y. Machado, E. W. Tchet, G. de Champeaux, Warlencout and J. Auguste.

Per *Salazie*, for Shanghai, Miss Ming Green, Messrs. Mayer, Isidore Levy, Audinet and John Cords.

Per *Mongolia*, for San Francisco, &c., Miss V. Stone, Hon. B. Legarda, Hon. P. Ocampo, Rev. J. Holden, Messrs. C. S. N. Williams, A. Izquierdo, J. Fernandez, J. F. Gatuis, M. C. Brown, G. Klopp, J. Valdez, Wm. Kohbe, J. Escamilla, J. S. Hard, H. E. Lackey, S. A. Seth and B. A. Peters.

Per *Rubi*, for Manila, Mr. and Mrs. Robt. Holmes, Major, Mrs. and Miss Phister, Mrs. Knauber and 2 children, Misses K. Toomb and H. P. Rooke, Sister Brunenberg, Sister Schrader, Dr. G. Leurink, Lieut. G. P. Howell, Messrs. H. Muller, T. Gribayedoff, O. Kollerod, H. J. Kerbert, M. Sepeda and A. H. Randolph.

Per *Nikko Maru*, for Japan, Mr. and Mrs. Carden, Master, Mrs. and Miss Martin, Mr. Miss and Master Booth, Mrs. Adams, Misses Willekins, Ainger and Kimura, Sister Soroopo, Sister Hayden, Sister Casey, Sister Sproule, Sister Salmon, Messrs. R. J. Macgowan, Hashim, Douglas and Fukuda.

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